CompuGROUP

ANNUAL REPORT

2007

Synchronizing

the World of Healthcare



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Koblenz, March 2008

Dear Shareholders, dear friends of CompuGROUP,

2007 has been the most successful year in the history of CompuGROUP Holding AG to date. I am pleased to report that we have again been able to deliver significant improvements in all our relevant financial ratios. Adjusted EBITDA was increased by 35.9 per cent. The **consolidated net profit for the year** under report was more than **doubled** on the previous year to reach EUR 22.84 m.

The acquisitions over recent years have led to a sharp rise in the intangible assets in the group. The amortization of this item does not, of course, represent a deterioration in value since the value of the equity interests we have purchased is rising, not falling. The net earnings that are relevant to our shareholders and to the value of the company are thus the net earnings plus amortization on intangible assets where these are of a goodwill nature. This key figure, which is often referred to on the financial markets as **cash net income**, was increased by **66.57 per cent to EUR 41.76 m**. This demonstrates in series how successful our growth strategy is. Our latest acquisitions are reflected in the budget positively as well. We have thus been able to meet in full the expectations made of our company in the year of our IPO.

This success has been achieved through the defining characteristic attributed to CompuGROUP in the international healthcare sector: few others grasp the opportunities presented by structural changes as consistently and innovatively as we do. We play our part in ensuring that the very latest forms of medical care control can be implemented. CompuGROUP's software supports providers in the provision of diagnostic, therapeutic, organisational and communication services and networks all stakeholders in the healthcare sector. In doing so, CompuGROUP helps to enhance the efficiency of systems, the effectiveness of measures and the quality of processes.

The basis for our further growth on the international stage became much wider again last year, with access to registered doctors in Europe having been significantly increased. No eHealth provider on the continent has as many registered doctors among its clients as CompuGROUP. All our foreign holdings report good to excellent figures. This confirms our

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international growth strategy, which is to bring acquired companies to good growth and high profitability by boosting cost efficiency and exploiting synergies in the CompuGROUP group, thereby creating lasting value for our shareholders. In doing so, we are at the same time laying the foundation stone for the expansion of our enormously fast-growing HCS (health fund, industry and network business) and EPS (web-based electronic patient records and other services for the end consumer) segments.

The most recent pillar of our business model, the provision of innovative software products for clinics and hospitals, has already enjoyed resounding success within a short space of time. We have achieved high growth in this area right from the start. In an environment of ever increasing pressure on costs, the integration of hospitals into the networking landscape of CompuGROUP opens up a whole array of new opportunities when it comes to boosting efficiency and quality.

We are making continuous progress in establishing one of our most important future technologies, **the vita-X electronic health record**. We have, for instance, launched the "EPA Junior" project in conjunction with the government of the Rhineland-Palatinate region, for instance, which will make an electronic patient record available for every newborn in the Rhineland-Palatinate in 2008. In addition, the introduction of an electronic patient record system, likewise with vita-X, is being trialled in North Rhine-Westphalia, Germany's largest state.

An innovative highlight is the "AOK aktiv + vital" project, which will for the first time see us map electronically end-to-end medical treatment paths within a contract for integrated care. Run **on a large scale in collaboration with the doctors involved and a large health insurance fund**, this will enable us to offer the patients concerned in the Hesse region lasting assistance in the treatment the widespread disease that is diabetes. Together with our partners, the AOK in Hesse and medical specialists, we have developed an approach whose application could help to ensure the more effective treatment of a large number of other diseases across Germany.

Our actions will continue to be determined by a consistent market and customer focus. The outstanding success we have achieved in 2007 encourages me and my colleagues on the board to remain true to this principle.

We achieved our growth and earnings target of 30 plus (approx. 30% growth and 30% EBITDA margin). Applying the Cash Net Income mentioned above to the value per share, this gives a value of EUR 0.78 /share, which corresponds to a cash multiple (PE) of about 15 (at a price of EUR 11.50) relative to 2007. This thus corresponds to a PEG (Price Earnings Growth) of just 0.5. Given the strong growth of our company, it is clear that the Compu-GROUP share looks set to perform particularly well in the future. That I am absolutely convinced of this is first and foremost because I am confident that my colleagues on the board, all the staff of CompuGROUP and I myself will continue to devote all our energies and innovative capacity to ensuring that the growth and success of CompuGROUP will be maintained in 2008 as well.

As chairman of the board and one of the principal shareholders of the company, I am delighted at these excellent prospects, as are my long-standing co-shareholders, General Atlantic, Dr. Koop and my family, and all other shareholders to whom I presented the company as a strong, highly profitable trailblazer at the time of our listing on the stock market in May 2007.

I would especially like to thank the entire workforce of CompuGROUP, who have contributed to the success of our company with enormous commitment, a great wealth of new ideas and enormous dedication.

I would also like to thank all those who believe in our strengths and can assure you that we will continue to do everything we can in the coming year to increase our efficiency and reach and thereby to improve the value of our company.



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buGROUP acquires all the shares in the MEDISTAR Group based in Hanover. MEDISserves around 17,700 doctors in Germany. General Atlantic Partners acquires a stake impuGROUP in the course of the capital increase of April 10, 2003.
puGROUP takes a majority shareholding in TurboMed EDV GmbH, Kiel. TurboMed's are packages are market-leading products and are deployed by over 14,800 users.
puGROUP acquires a 100% stake in the Czech company DIALOG MIS spol. s.r.o., d in Prague. The company is the market leader for Doctor Information Systems in the h Republic.
puGROUP acquires a 100% stake in Le Réseau Santé Sociale SAS, based in Rueilnaison (Paris). The company is an internet service provider for the French healthcare m. CompuGroup acquires 74.9% of the shares in Axilog S.A., based in Montpellier ce), as part of a joint venture. The company develops and sells information systems octors and dentists in France.
puGROUP acquires a 100% stake in Medisoft International Ltd., based in Prague. soft is a leading supplier of medical software in the Czech Republic.
puGROUP acquires 80% of the shares in the company UHC SP Z.O.O., based in n, Poland. UHC has been active in the area of hospital software since 1999.

medi cine is a successful patient communication business with a focus on TV productions in the healthcare system. medi cine was a subsidiary of the public service broadcaster ZDF before the takeover.			
The company acquires 100% of the shares in ISPro GmbH, based in Hattingen. ISPro GmbH is a specialist supplier of integration and communication solutions in the health sector. It offers centralised solutions for telematic systems, referrer portals, integration services and security concepts. Also in May, CompuGROUP acquires a 49% stake in Medigest Consultores S.L., Madrid. This opens the door to the Spanish market. Medigest supplies software solutions for the human medicine sector.		Лау	2006
An 80% stake in GTI AG, Bergisch-Gladbach, is acquired in June. With its software products GTI AG improves communication between doctors and medical insurance companies by reducing communication disruptions. In addition, GTI AG's products simplify the handling of integrated care forms for service providers and medical insurance companies. A 33% equity interest in FIMED S.r.l., Molfetta (FIMESAN S.p.A. after a change of legal form and name), which is also completed in June, opens the door to the Italian market. Fimesan is active in the Doctor Information Systems sector.]	une	2006
In September CompuGROUP acquires a 80 % stake in SMS spol. s.r.o., Brno, and a 100 % stake in SMS spol. s.r.o., Bratislava, a supplier of Hospital Information Systems in the Czech Republic and Slovakia, by purchasing all of the non-operating company DIALOG MTS spol. s.r.o. Brno (Czech Republic).	S	eptember	2006
The Austrian company Systema Human Information systems Gesellschaft mbH, based in Steyr, is taken over with several participating interests in October. Systema HIS is a leading supplier of Hospital Information Systems and project work. Systema currently employs around 170 people and its products are predominantly geared to the Austrian and German markets.	0	October	2006
A controlling interest in Turkish company Tepe Health Information Systems A.S. is acquired with a view to expanding the business with IT solutions for hospitals.]	anuary	2007
Official trading in CompuGROUP shares begins on 4/5/2007 (Prime Standard) on the Frankfurt stock exchange as part of a combined tender offer (capital increase and allocation of the shares of the main shareholders). This transaction results in a free float of more than 30%.		Лау	2007
In France, CompuGROUP aquires Medical Net SAS, a provider of a purely web-based information system for doctors.	J	une	2007
With the acquisition of Tipdata Medical Software, CompuGROUP obtains an advantageous position within the fast-growing Turkish market for private doctors.	S	eptember	2007
The success of business in Slovakia is boosted by the acquisition of a stake in ERUDIS s.r.o., a producer of Doctor Information Systems.			
CompuGroup immediately forges ahead in Austria: As a result of the acquisition of Gruber ÄDV GmbH, a producer of Doctor Information Systems, and a controlling interest in Innsbruck-based ACP IT Solutions GmbH, CompuGroup has access to most medical		lovember	2007

practitioners. ACP changes its name to medXPert GmbH.

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Summary

CompuGROUP develops and sells efficiency and quality-enhancing software solutions and services for participants in the healthcare system in Germany and other countries in Europe and is one of the leading providers on the market for software solutions in the healthcare sector (eHealth market). CompuGROUP develops and sells software and services for doctors, dentists, hospitals and other participants in the healthcare system such as medical insurance companies or pharmaceutical and generic drug companies and offers related services. CompuGROUP is represented internationally with subsidiaries and equity investments in Austria, France, Poland, Spain, Italy, the Czech Republic, Slovakia and Turkey.

At present, some 290,000 doctors and dentists use software solutions from CompuGROUP. CompuGROUP's share of the market for information systems for registered doctors in Germany alone is around 43% (source: KBV statistics) measured by the number of installations among doctors of relevance for the company (i.e. excluding psychiatrists or psychotherapists). For dentists the figure is approx. 40% (source: KZBV statistics (proportionate settlement KCH per DTA)). This means that CompuGROUP is the market leader in Germany for information systems for doctors and dentists.

CompuGROUP is also the market leader or plays a major role in the company's main target markets abroad. In addition, CompuGROUP is among the leading providers of Hospital Information Systems (HIS) both in Austria and in Turkey.

Business Units of CompuGROUP

CompuGROUP develops and sells software products and services through its subsidiaries in the following three segments:

(1) Integrated Health Provider Services (HPS)			
Doctor	Hospital		
Information	Information		
Systems	Systems		
(DIS)	(HIS)		

(2) Health Connectivity Services (HCS)						
Communication & Data	Work- flow & Decision Support	Internet Service Provider				

(3) Electronic Patient Services (EPS)	
vita-X Patient Content (PC)	

- (1) Production, sale and maintenance of software for registered doctors and dentists and for hospitals
- (2) Networking participants in the healthcare sector
- (3) Introduction of web-based electronic patient record

Integrated Health Provider Services (HPS)

The HPS sector is the important basis field of CompuGROUP's businesses. It comprises the development, sale and maintenance of Doctor Information Systems (DIS) for registered doctors and dentists and of Hospital Information Systems (HIS) for hospitals in Germany and abroad.



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The software solutions provided by CompuGROUP allow for a more efficient structuring of the organisation of doctor's practices/clinics and that of the invoicing systems. In addition, CompuGROUP regards its products as comprehensive information solutions that actively assist doctors in the treatment of patients and in preventive healthcare. This is done by, for example, integrating wide-ranging drug databases and contra-indication lists compiled and distributed by CompuGROUP in the HCS segment which enable doctors to review individual alternatives for patient-related medications. CompuGROUP's systems also offer features such as various medical treatment and preventive care guidelines prepared by specialist medical groups, doctors' associations or medical insurance companies which significantly increase the quality of treatment, particularly in preventive healthcare.

The subsidiaries of CompuGROUP Holding offer distinctive brands and products lines in the Doctor Information Systems segment and compete against each other in the area of human medicine and dentistry. However, in the Hospital Information Systems business CompuGROUP has only one subsidiary and one brand in the different national markets as it generally has to deal with larger public or private organisations which attach particular importance to the economic strength and the reliability of the IT provider.

Products and services

CompuGROUP essentially provides the following products and services in the Health Provider Services sector.

Doctor Information Systems

CompuGROUP's information systems for doctors are characterised by a high degree of functionality. The systems can be deployed in single practices, joint practices or practice communities through to medical care centres and networks of doctors. Even the basic versions contain all applications required for everyday work in the practice, such as patient administration, billing functions, form administration, documentation aids, controlling instruments for economic practice administration, treatment statistics, an electronic patient record and a drugs database. The systems can be supplemented with open item management, invoicing and reminder procedures, a module to compile doctor's notes, a contra-indication list, archiving systems or inoculation schedules.

Treatment and diagnostic equipment can also be directly integrated. CompuGROUP's products include the following main items.

The product portfolio of CompuMED

CompuMED Praxiscomputer GmbH & Co. KG ("CompuMED") offers its customers a wide range of products meeting nearly every requirement of medical practitioners for scalable, software-based documentation, organisation and communication systems.

- CompuMED's range comprises both process-oriented solutions for general doctor's practices and effective systems for specialist medical practices, medical care centres, out-patient clinics and networks of doctors.
- CompuMED's products help to optimize to a considerable degree the communication, organisation and information processes in a doctor's practice, and thus contribute to improving the operating result of the medical practice.
- A practice that is equipped with the M1 Doctor Information System and its versatile modules can also participate in inter-sector communication, something that is becoming increasingly important.

The product portfolio of MEDISTAR

MEDISTAR Praxiscomputer GmbH ("Medistar") supplies Windows-based information systems for doctors. The target group of Medistar's products comprises medical practices which place high requirements on performance, security, speed, stability and ease of operation. With around 20,700 users, MEDISTAR-Software is the most installed software for registered doctors in Germany (source: the company's research as at 31/12/2007). MEDISTAR's customers also include around 200 medical care centres (source: the company's research as at 31/12/2007). The modular program design allows every user to put together his or her own software package, which can then be continuously modified and adapted to the current needs of the practice. The scope of services offered by MEDISTAR systems ranges from comprehensive start-up solutions through to a complete doctor information, expert and archiving system. In addition, there are special modules for virtually every specialist field. These offer a series of individual aids and tools intended to make work processes in specialist fields more efficient and cost-effective.

The product portfolio of TurboMed®

TurboMED EDV GmbH ("Turbomed") develops and sells a Windows-based Doctor Information System for medical practices. It is currently used by around 18,000 registered doctors in Germany (source: the company's research, as at 31/12/2007). The TurboMED system is a complete solution covering all the major applications found in medical practices or medical care centres. Further systems adapted to the specific requirements of medical specialists are available as all-in-one solutions. The system is characterised by an especially user-friendly design, e.g. consistent symbolism and the utilization of what are known as desktop objects, which allow a clear demonstration of the major patient characteristics.

The product portfolio of ALBIS

ALBIS has been one of the leading providers in the health sector for 20 years. An ever-growing number of registered doctors put their confidence in the efficient ALBIS on Windows Doctor Information System.

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The success of the company is based on tried-and-tested programs which are constantly upgraded and adapted to the needs of the customers and market.

The versatile and effective ALBIS on WINDOWS Doctor Information System depicts the work flows in a medical practice with optimum scalability, simplifies work processes involved and offers professional support in all fields. Today, one third of Albis surgeries are already online users. ALBIS supports its customers individually and comprehensively in all fields – with software, hardware and particularly through expert service – to enable efficient and economic management of the practice.

The product portfolio of DATA VITAL

DATA VITAL GmbH & Co. KG ("DATA VITAL") aims its Linux-based DAVID system at customers looking for a fast, stable and multi-disciplinary program for doctors.

From a single practice to out-patient clinics, the DAVID system offers a wide-ranging administrative system for medical practices. In its DAVID X RIS radiology information system, DATA VITAL also offers a fully integrated RIS / PACS system that is deployed with a comprehensive workflow management facility in radiology surgeries, medical care centres and hospitals. The system is operated quickly and intuitively via a graphic user interface. In addition, it provides a high degree of functionality and transparency and utilises existing resources in a focused manner.

The product portfolio of Axilog

AXILOG S.A.S. ("Axilog") develops and sells Windows-based practice administration software for doctors and dentists in France as well as electronic data transfer systems for billing medical services. Around 19,000 doctors and dentists in France use Axilog systems (source: the company's research as at 31/12/2007). This makes Axilog one of the leading providers in France. Around 65% of users are general practitioners (source: the company's research, as at 31/12/2006). Axilog provides them with an efficient patient management system, the AxiSanté software. In addition, Axilog supplies specialist doctors, who account for 35% of its involved (source: the company's research as at 31/12/2006), with special, comprehensive solutions for their respective disciplines. The product range likewise includes dedicated solutions for dentists. The product range is rounded off with special software solutions for the electronic transfer of billing data to enable the online settlement of medical services. According to Axilog's own assessment, its AxiAM software for transferring electronic billing vouchers (FSE) makes it the leading supplier in France.

The product portfolio of Medical Net SAS

Medical Net SAS is a newly established company headquartered in Montpellier. Its software solution of the same name offers a Doctor Information System based on the latest internet technology (ASP): Medical Net is called up in the internet browser, so does not need to

be installed on the doctor's PC. This allows doctors to access the system at any time and in any place. Medical Net also removes the need to import program updates and to back up data because the software is always up to date. In Medical Net, the user has a mobile, modern and reliable Doctor Information System.

The product portfolio of Fimesan

CompuGROUP holds a minority interest in the Italian company Fimesan SpA ("Fimesan"). Apart from providing various services and consultancy work in the healthcare sector, Fimesan also develops and sells Windows-based practice administration and networking solutions for registered doctors. According to Fimesan's own assessment, it is one of the leading suppliers in Italy with more than 7,000 doctors and dentists using its products (source: the company's research as at 30/11/2007). Fimesan offers comprehensive, powerful patient management systems that map all the main fields in the everyday work of a doctor. With PROFIM 2000 Fimesan primarily addresses the needs of general practitioners. Fimesan offers solutions for specialist medical disciplines, particularly paediatrics. It is the market leader in Italy for this segment. Special solutions for dentists are also part of the product range. Fimesan also supplies interdisciplinary, stand-alone solutions for the prescription of drugs by the treating physician.

The product portfolio of ERUDIS s.r.o.

ERUDIS's customer base numbers some 2,000 registered doctors and dentists, making it the second largest supplier of Doctor Information Systems in Slovakia. ERUDIS products are also utilised in more than 120 clinics and hospitals. In its product development activities ERUDIS collaborates closely with two Czech CompuGROUP subsidiaries, Dialog MIS and Medisoft, both of whom are market leaders. CompuGROUP currently has a 10% stake in ERUDIS.

The product portfolio of Tipdata Medical Software

Tipdata is a leading supplier of Hospital Information Systems for private hospitals in Turkey. The private hospital and private registered doctor sector is gaining increasingly in importance. Estimates suggest that already more than 40,000 of the some 96,000 doctors in Turkey are now working outside the public sector. Tipdata develops and sells innovative software products and medical decision support systems to the target group of private specialists, family and general practitioners and dentists. Tipdata can utilise the experience and developments of CompuGROUP and offer tried-and-tested solutions for doctors in this growing segment of the market. Tipdata is already enjoying success with software for accounting and documentation in private hospitals. An accounting package developed by Tipdata was ordered by more than 100 private dialysis centres within the space of just a few weeks, giving the firm rapid market leadership in this segment of the healthcare system. Compu-GROUP currently has a 90% stake in Tipdata.

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The product portfolio of CompuDENT and ChreMaSoft

Through its subsidiaries CompuDENT Praxiscomputer GmbH & Co.KG ("CompuDENT") and ChreMaSoft Datensysteme GmbH & Co. KG ("ChreMaSoft"), CompuGROUP consistently exploits synergies in information systems for dentists, making it the leading German supplier in this sector.

A graphical user interface, the user-friendly and intuitive operating procedures and the modular design are characteristic of both products, Z1 and WinDent.

The high online functionality provides users with options such as remote software diagnosis, online updates and access to an online hotline. The ability to network users within the system also enables the coordinated exchange of data between dental practices, medical insurance companies and hospitals. The range of products is supplemented by a number of special modules, such as the new specialist's analysis, which is helpful for revealing accounting deficits. The product range is complemented by other products, including tools for material and hygiene management, user-specific quality management and archiving. The Z1 system for dentists and orthodontists is aimed at practices with high requirements on performance, safety, speed, stability and intuitive operability. With its WinDent-System, however, ChreMaSoft also meets the needs of price-conscious customers who are also looking for a high degree of functionality and ease of operation.

The product portfolio of Z1 Software GmbH

Z1 Software GmbH develops software solutions for all health provider services. The products are offered as platform products through the existing distribution channels of the market, especially for registered doctors.

The basic idea behind the product development is to offer an appropriate complement to the functionality of the established information systems for doctors. The main focus is placed on integration into the information systems in order to represent the workflow of the doctor/dentist as comprehensively as possible. The software meets the day-to-day requirements of practices head on and, in each case, takes into account the latest developments in the healthcare market.

The product range includes software for archiving solutions, scheduling and disease management. With the latest developments in quality and financial management for doctors, last year further emphasis was placed on products that promote the successful development of the health provider sector.

In conjunction with the ALBIS, ChreMaSoft, CompuDENT, CompuMED, DATA VITAL, MEDI-STAR and TurboMed product lines, the products of Z1 Software GmbH cover the whole spectrum of human medicine and dentistry and fulfil all the requirements of a successful, modern and particularly efficient practice management.

The product portfolio of Gruber Ärztliche Datenverarbeitung GmbH

Gruber ÄDV develops and sells two Windows-based products. With PCpo 2000 it covers all fields with the exception of dentistry. The basic version of this program already meets all the requirements of a doctor's practice. All particular functions of a doctor's practice can be performed electronically by using special add-on modules supporting additional work procedures. The user interface, which can be individually configured, and the 24-hour service make this product from Gruber AeDV GmbH the first choice for many. The company currently looks after some 1,200 doctors in Austria, 993 of whom are directly connected to the eCard system.

In addition, Gruber AeDV offers personal physicians the capability of generating electronic patient invoices, payments in advance. This business unit serves around 300 customers.

The product portfolio of medXpert healthcare solutions GmbH

The medXpert software, which is based on MS SQL Database, was developed in VB 6 to complement the ProfiMed / Database advanced operating system product, which is based on existing Microsoft operating systems and Linux.

These programs are available for all professional groups, with the exception of dentists, and thus they are specialized and modular structured.

medXpert in Austria is the market leader for ophthalmology.

The products installed for customers vary from systems with only one user for personal physicians to systems with multiple users for health centres with different specialist sections and practices as well as for convalescent homes, larger laboratories and day hospitals.

The integration of external equipment (about 3,000 pieces of equipment of 350 different types) by setting up interfaces as well as the transfer of data from external laboratories to the products is already standard in the products.

The provision of findings as well as the forwarding of pictures through different external providers, the processing of picture data resulting from different image-processing equipment such as video cameras, digital, endoscopic and ultrasonic equipment etc. is integrated into the medXpert software.

Templates for writing doctor's letters can be configured for every purpose and it is possible to dispatch them directly from file, via a provider, the internet or a fax module integrated into the medXpert software.

medXpert products have been certified for all areas by the association of Austrian insurance companies and they are therefore approved for invoicing, ecard systems and the prescriptions approvals system, the Arzneimittel-Bewilligungssystem (ABS).

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Hospital Information Systems

The Hospital Information Systems business unit comprises the Systema Human Information Systems Gesellschaft mbH ("Systema"), TEPE Health Information System A.S. ("TEPE") and Systema Deutschland GmbH ("Systema Deutschland") subsidiaries. Systema and TEPE were both acquired by CompuGROUP Holding at the end of 2006 and the beginning of 2007 respectively. Systema Deutschland, however, was created in January 2007, the result of a merger of several different subsidiaries of CompuGROUP Holding, including CompuPLAN Informationssysteme GmbH & Co. KG ("CompuPLAN") and Novacom Gesellschaft für EDV-Anwendung im Gesundheitswesen GmbH ("Novacom"), a direct subsidiary of Systema.

The product portfolio of Systema

The product portfolio of Systema primarily comprises software systems that support medical and nursing processes in hospitals (Hospital Information Systems). The main product offered to hospitals by Systema is its Systema G2 line. Systema G2 mpa (medical process assistant) is an integrated system supporting the planning, control and documentation of treatment processes. A workflow engine developed by Systema provides flexible control of the processes in mpa. Based on individually defined treatment processes, Systema G2 mpa provides the user with the necessary and appropriate functions, from order communication to the recording of diagnosis and treatment. Systema's own Systema G2 hca product periodically transforms the data from the different operating systems so that these can be compared to each other. The data can then be analysed and controlled in multiple dimensions. For laboratories, Systema provides a laboratory information system, Systema G2 analytics, which controls and supports all work processes in medical clinical laboratories, from the receipt of samples to automatic distribution of the findings. Systema G2 analytics also communicates with every kind of Hospital Information System via standard interfaces and thus enables information on findings to be transmitted quickly and directly to every office in the hospital. The Systema G2 on duty product, a human resources management system, complements the product portfolio with a solution that ensures that the right number of employees with the required qualifications are available at the right time for dealing with the ongoing processes in a hospital (from medical/nursing processes to administrative processes). In addition, this system also controls time management. Furthermore, as a SAP Gold Partner the system handles SAP projects in hospitals and major clinic chains in the areas of patient billing, accounting, logistics and human resources management, ranking among the market leaders in these functions. Systema offers its customers comprehensive IT services through an additional unit and is available 24/7. IT operations for more than 20 hospitals and more than 50 medical & welfare facilities are carried out in a Systemaowned data processing centre.

The product portfolio of Systema Deutschland

The company created the basis for expanding its hospital business in Germany with Systema Deutschland. At present, Systema Deutschland develops and sells Hospital Information

Systems, image processing and administration programs. After acquiring the former CompuPLAN product range, with its "HighdentPlus" product for dental clinics and university dental hospitals, Systema Deutschland provides one of the leading IT systems for hospital administration, treatment planning, billing and electronic archiving of medical documents. The company's research has shown that HighdentPlus is deployed by over 50% of all university dental hospitals in Germany alone. HighdentPlus is extremely flexible in its set-up, which means, that the system can be adapted to the particular circumstances prevailing in the operational and structural organisation of a hospital. Further add-on functions, such as practice archiving or digital x-rays, can be integrated into the system. The company provides an integrated product platform for the rehabilitation and hospital market under the "Systema G2" brand name.

The product portfolio of TEPE

The product portfolio of TEPE comprises both Hospital Information Systems for public and private hospitals and systems for billing medical insurance companies for outpatient healthcare services. TEPE's main product is the corTTex product line. This is a comprehensive Hospital Information System that allows every aspect of work in modern hospital care to be represented, starting from appointment scheduling through the planning of medical care processes to materials management and billing. The corTTex system is deployed in single hospitals as well as in medical care centres and networks of hospitals. The system is supplemented by addition functions, such as an image processing and administration program plus x-ray and radiology modules. TEPE offers a variety of other general administration and reporting solutions that enable data to be extracted from the hospital systems and analysed. The corTTex product line also includes the corTTEX ECPS billing software, which provides medical insurance companies with extensive accounting and receivables management functions for the processing and monitoring of bills for outpatient care services.

The product portfolio of UHC

The solutions offered by UHC range from traditional Hospital Information Systems such as CliniNet and Web-CWS, the modern web-based user interface for Clinicom users, to the comprehensive NetRIIS radiology information system and the NerRAAD PACS solution with DICOM-compatible image archiving and image processing system.

The product portfolio of SMS

The product portfolio of SMS comprises a complete Hospital Information System with numerous add-on modules that can be utilised worldwide. The products are focused on optimising work flows and processes.

Service and sales

The subsidiaries of CompuGROUP do not in principle manage their own end customer sales for Doctor Information Systems. Sales to end customers are instead delivered by external sales and service partners, each of which exclusively sells one of CompuGROUP's product

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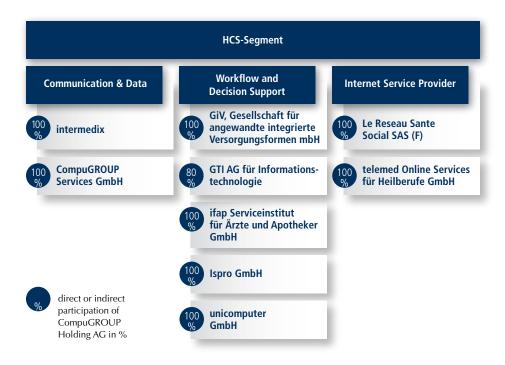
lines. CompuGROUP currently has around 300 such external sales and service partners. These are mainly medium-sized and large IT retailers whose OEM business is technical service and sales of complete systems to doctors and medical facilities, the core of which comprises CompuGROUP software components. All software maintenance contracts are concluded directly with CompuGROUP or the subsidiary concerned. The ten largest sales and service partners serve a total of around 15,200 customers.

In the case of Hospital Information Systems, service and sales go through the respective subsidiaries of CompuGROUP Holding. The specific characteristics of the hospitals business, i.e. in particular the large size of contracts, the complexity of the systems and the costs resulting from the implementation of a system, require an intensive service for hospital customers that is closely linked to product development. This service is especially personnel-intensive and, in the company's opinion, it can therefore only be guaranteed by means of a dedicated service and sales structure.

Health Connectivity Services (HCS)

HCS is the centre of CompuGROUP's core business.

The products and services provided by CompuGROUP in the HCS segment are primarily aimed at networking health care providers (doctors and hospitals) on the one hand, and medical knowledge, industry and the cost bearers (medical insurance companies) on the other. CompuGROUP has a broad range of services, data packages and decision support systems



available for this purpose. These extend from work flow solutions for medical insurance companies to target group-specific marketing services for industrial partners through to complex workflow solutions for cost-bearers or managed care organizations. Moreover, through its individual subsidiaries, the company is one of the leading European internet service providers specialised in health services.

Products and services

CompuGROUP essentially provides the following products and services in the HCS segment.

Communication and Data

The range in the communication and data subsegment is aimed primarily at pharmaceutical companies and political decision-makers. CompuGROUP offers them the opportunity to advertise their products directly in the Doctor Information Systems developed by CompuGroup. In addition, CompuGROUP records, transmits and markets data for doctors and statistics companys.

intermedix

Through its subsidiary intermedix Deutschland GmbH, CompuGROUP sells communication solutions in its Doctor Information Systems to pharmaceutical companies and other advertisers in the healthcare sector.

These communication solutions range from banner advertising through patient information to information on alternative products in order to ensure prompt and reliable compliance with the agreed discounts of medical insurance companies. Any pharmaceutical communication within the Doctor Information System is designed and placed in such a manner that it does not interrupt the working process of the doctor. Instead, it supports the doctor and always complies with legal and regulatory requirements and with CompuGROUP's voluntary code of practice. In addition, the doctor has the option of obtaining a version of the Doctor Information System that is free of advertising. The content of the advertising spaces is provided by the pharmaceutical companies in question and verified by a medical-scientific editorial office.

Additional acquisitions of Doctor Information Systems in France, Italy, Spain, and the Czech Republic also allow the pharmaceutical platform business to be established elsewhere in Europe. intermedix France has already been running its French pharmaceutical business via Doctor Information System provider Axilog since 2006. In addition, intermedix Italy, intermedix Spain and intermedix Czech Republic have been operating a European pharmaceutical communications business since 2007.

Marketing of prescription data

In the communication and data subsegment, CompuGROUP – through its subsidiary Compu-GROUP Services GmbH – also provides for the transmission and marketing of medicament

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prescription data. Thanks to its broad access to medical practitioners, CompuGROUP acts as an intermediary between the doctor prescribing drugs on the one hand and the external data marketer on the other hand. In this context, CompuGROUP primarily mediates a contractual relationship between the doctor and the data marketer governing the transmission of the doctor's prescription data to, and their evaluation by, the data marketer. In order to enable the transmission of these data to the data marketer, CompuGROUP also implements or programs an interface to allow the doctor's prescription data to be selected. Patients' data are transmitted to the data marketer in an anonymous but doctor-specific form.

Workflow & Decision Support

In the workflow and decision support sub-segment, CompuGROUP's customers are primarily the cost bearers in the health service. CompuGROUP offers them IT solutions for combating health insurance card fraud and modules to improve the efficiency of drug prescription arrangements and prescriptions of in-patient treatment. In this segment CompuGROUP also sells drugs databases and contra-indication lists, which are distributed as "stand-alone-products" and as add-on functions for the Doctor Information Systems of CompuGROUP.

Doc Portal

In this subsegment CompuGROUP offers products including IT solutions for cost bearers in the healthcare system through several subsidiaries, particularly GTI AG für Informationstechnologie ("GTI"). One of these solutions is the "Doc Portal" system. This system, which is compatible with all Doctor Information Systems supplied by CompuGROUP, aims to facilitate the work of doctors by making decision-relevant information available while at the same time effectively communicating the interests of the cost bearers (especially the medical insurance companies). For example, "Doc Portal" can provide a doctor with information from contracts on integrated healthcare, discount agreements and references to guidelines or patient-related preventive offerings. The doctor receives information whenever he is required to make a decision in connection with his work. The information required for the application is provided to CompuGROUP by the respective medical insurance companies. These pay a fee to CompuGROUP for providing the information in the Doctor Information System. The fees payable depend on the information provided. Where information from contracts on integrated healthcare or discount agreements is concerned, the remuneration is generally paid as a flat-rate charge per IHC contract or discount agreementis generally paid. In the case of information on patient-related preventive offerings, however, the charge is, paid per doctor and quarter. The additional functions of the Doc Portal system are free of charge for the doctor.

CompuGROUP initially developed Doc Portal as an application for hospital admission requested by a doctor and for integrated healthcare because it is in these fields of the healthcare system that the greatest savings potentials are found. Apart from showing the doctor the complete list of all preparations and his personal reduced list of drugs (in-house dispensary), the drugs module also displays a patient-related list containing only those preparations for which



the patient's medical insurance company has concluded separate discount agreements, for example, or which conform to the contractual stipulations of the house doctor contract that the treating doctor has concluded with the medical insurance company. The Doc Portal hospital module also offers assistance to the doctor when selecting a hospital and when deciding between in-patient and out-patient treatment. Thus a message can appear in Doc Portal at the time hospitalization is prescribed, informing the doctor of the possible options for hospitalization. This could be information on low-cost hospitals in the region or even information on contractual healthcare partners for in-patient or out-patient treatment.

AOK aktiv + vital

Working in conjunction with AOK Hessen, the medical insurance fund for the Hessen region, GTI AG has for the first time developed a system for the complete electronic mapping of a contract for integrated care, complementing it with the option of supporting the doctor with the latest medical knowledge when he makes his medical decisions.

The content was developed by the medical team at Gesellschaft für angewandte integrierte Versorgungsformen mbh (GiV), the company managing the project and handling the contracts and payments. The system, which is designed for diabetes mellitus type 2, KHK,

Karl-Josef Laumann, Minister for Social Affairs, (on left) and Frank Gotthardt, Chairman of CompuGROUP's Management Board, launch the electronic patient record in North Rhine-Westphalia.

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asthma and COPD, pioneers a radical new treatment approach in selected regions and encourages doctors to associate "better health" with "better fees". Further indications are in preparation. The project has been designed to enable nationwide roll-out. Other funds have already signalled their interest in similarly configured projects.

With "Aktiv + Vital", doctors in Germany can for the first time access from a single source this kind of medical content and electronic tools to assist them in their day-to-day work. The software in the practices automatically detects which patients are suitable for participation, warns of particular risk constellations and suggests which of the options stored on the basis of existing guidelines and recommendations is best suited to the particular case, offering these to the doctor when he comes to make a decision.

Leading software retailers such as ALBIS, TURBOMED, MEDISTAR and CompuMED, whose products are used in more than one in two practices in Germany, ensure that the overall project is compatible with doctors' computers, reducing administrative expenditure and supporting the doctor in his work and decisions.

Verax-Liste

Verax-Liste is a software solution developed and sold by GTI AG in collaboration with a cooperation partner for combating health insurance card fraud. The products enable a patient's insurance details to be checked directly when the heath insurance card is read in the practice of the treating doctor. This check not only monitors whether health insurance exists, but also verifies the status of exemption from surcharge payments. The software allows the doctor's secretary to react at once to irregularities if, say, the card is invalid, if an exemption from surcharges for drugs no longer applies or if the insurance cover has expired.

To date, CompuGROUP estimates that this system covers around 16% of all those insured with statutory health insurance schemes. Verax-Liste can be integrated in Doctor Information Systems from CompuGROUP and placed at the disposal of users of practice management software supplied by other producers. This means that around 80% of registered doctors in Germany can use this system. The insurance data required to run this query are transmitted in encoded form to an external data centre, where the data are transferred to Verax-Liste and exported to the doctor's practice by the software firm in question. This can be done either online or by sending a program update on CD. The doctor incurs no additional costs for this. Instead, the health insurance scheme pays a flat-rate fee per insured person to the companies involved.

Among other things, the introduction of the eHealth card (eGK) means that the 'master data' service for insured persons will become obligatory. This allows the insurance status of a person to be checked online; the check must be made by external, government-approved service providers working on behalf of health insurance schemes. The company intends to adapt Verax-Liste to the new circumstances.

ifap drugs database

Through its subsidiary ifap Service-Institut für Ärzte und Apotheken GmbH ("ifap"), Compu-GROUP offers comprehensive drugs and therapy databases, both as stand-alone products and for integration into Doctor Information System. The range of information is aimed primarily at registered doctors and dentists and at hospitals, which ifap supports in the day-to-day handling of medical prescriptions and therapy procedures with its products. The products cover an inventory of data which extends well beyond drugs approved in Germany and includes drugs from other European countries. The doctor is given an active agent-specific summary of alternative preparations such as generic drugs and re-imports that are available for prescription. The ifox program, a drug safety check for doctors, additionally allows possible interactions and contra-indications to be reviewed on the basis of diagnoses for individual patients. All the relevant parameters for the individual patient are automatically exchanged between ifox and the practice administration software or the respective Doctor Information System so that the doctor no longer needs to perform manual queries outside this system. With the exception of ifox, the ifap product range is free of charge for registered doctors.

Internet Service Provider (ISP)

In the internet service provider sub-segment, CompuGROUP provides tailored internet and intranet solutions for doctors which allow medical data such as doctor's notes or findings to be securely exchanged. Specifically, CompuGROUP particularly offers the following products and services:

RSS

In France, CompuGROUP is active as an internet and online communications service provider for doctors, dentists and hospitals mainly through its subsidiary Le Réseau santé social S.A.S. ("RSS"). RSS was formerly a subsidiary of Cegetel, a French telecoms company. Following the introduction of online billing in France in 1998, RSS was then the exclusive internet provider in France in this field for a total of six years. Over 2,600 million documents were exchanged via RSS during this period. RSS thus has wide-ranging experience and a broad customer base in this segment. According to research undertaken by RSS, some 58,000 of the 208,000 or so doctors in France use RSS as a service provider. RSS purchases the network capacities required for online access from other telecoms providers working on the French market, in particular Telecom Italia.

Telemed

CompuGROUP is one of the leading internet and online communications service providers in the health service in Germany through telemed Online Service für Heilberufe GmbH ("telemed"). telemed provides access for doctors, dentists and hospitals to a medical intranet,

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and thus a platform for secure communication and data transmission in the healthcare system. telemed offers a product for interdisciplinary networking in the form of "telemed. net". Doctors can send electronic files of patients with any kind of content to their colleagues in other practices or hospitals online, direct from the Doctor Information Systems, and discuss them directly with these colleagues via the chat facility. In addition, customized intranet solutions are offered for hospitals or networks of practices, among others. telemed purchases the network capacities required for online access from other telecoms providers working on the German market. Telemed has over 10,000 users.

Electronic Patient Service (EPS)

The goal pursued by CompuGROUP with its EPS business unit is to expand the existing customer relationships with the target group of medical practitioners to "their customers", namely patients and those interested in healthcare matters.

The unique, completely workflow-integrated presence with some 300,000 doctors throughout Europe will be used as a bridge for communication with patients, who are of course the consumers of health services and goods.

EPS offers solutions for obtaining reliable information for the purposes of improving or optimising procedures in healthcare to all players in the healthcare system, including suppliers, medical insurance companies, legislators, associations, hospitals, institutions, patients and most of all citizens, both in terms of their own health and that of patients, an insured person

Malu Dreyer, Health Minister, and Frank Gotthardt, Chairman of CompuGROUP's Management Board, present the "EPA Junior" project, which is aimed at promoting children's health in Rhineland-Palatinate.



or a customer. From prevention and tips for one's own behaviour through to therapy. From data on one's own ailments from the doctor or dispensing chemist through to incorporating the results of fitness equipment and tips on nutrition. On every medium. At any time.

The focus is on structured patient data which can be provided by CompuGROUP at the highest security level with its "vita-X" product.

vita-X

vita-X is our web-based electronic patient record and has the following characteristics:

- 1. It is a trend-setting technology for patient-focused networking.
- 2. It offers the maximum possible level of data security, protecting doctors and patients against unauthorized data access by third parties.
- 3. Being integrated in doctor information systems and hospital information systems, vita-X offers the necessary authenticity for medical application.

These characteristics make vita-X a unique service.

Apart from containing personal and historic medical data of a specific patient, the file can also store certain specified emergency data (blood group, allergies, incompatibility etc.). The treating doctor is responsible for storing the data. Patients grant doctors access to their data by means of the vita-X chip card and a corresponding PIN number. The health data of a patient (prescriptions, diagnoses, findings etc.) cannot be accessed until released by the patient and simultaneous approved by the doctor by means of a health practitioner ID. Exceptions to this are the emergency data stored, which can be read out without release by the patient. The patient-specific medical data are not stored on the vita-X chip card but are instead saved in fragmented form on servers. As vita-X is a voluntary application, the patient alone decides whether or not he or she wants to use this service. Patients must pay a monthly fee for administration of the vita-X file. This fee is paid to vita-X AG after charges for amending and supplementing medical data have been deducted.

The practical feasability of vita-X has been tested in the model region of Trier since November 2004 with the collaboration of the ministry of labour, social affairs, family and health of Rhineland-Palatinate and the Association of CHI Physicians of Rhineland-Palatinate. At the end of 2006 vita-X was introduced to the German market, initially in so-called "cluster regions". Currently these are Cologne, Trier, Essen, Mülheim, Bad-Neuenahr/Ahrweiler, Koblenz, Munich, Dresden and Lünen. At the end of 2007 vita-X was already being successfully applied by more than 2,000 doctors and several thousand patients. The EPA Junior project was started on January 1, 2008. vita-X AG makes the electronic patient record to all newborns in the Rhineland-Palatinate region available free of charge. In addition, the main focus in 2008 will lie on co-operation between vita-X and DocMorris. At this stage,



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DocMorris customers already have the option of accessing their vita-X file. This pilot project is at present restricted to the Cologne region. After a test phase of 6 months a nationwide roll-out with 350 DocMorris dispensing chemists is planed.

Service and sales

The sales and marketing of the vita-X record is focused in principle on three different target groups within the healthcare system. The first target group comprises doctors and hospitals that are won at the point of acceptance and thus as a port (doctor/patient) for utilization of the vita-X record. With the consent of patients, the doctor saves all relevant medical data in the vita-X record (vita-X pro).

Building on this, sales and marketing is concentrated on attracting medical insurance companies with their 80 million insured members, which comprise the second target group. With vita-X admin, vita-X offers an integral service for health-conscious insured persons actively looking to save their health data as a preventative measure. The third target group comprises those with an interest in healthcare as users of the vita-X record. In addition, with vita-X home health-conscious people have the means to actively contribute to the protection of their health.

As in the HCS segment sales and marketing is initially carried out by CompuGROUP's own sales organisation. This enables the customer base of CompuGROUP in the HPS sector to be addressed directly. Since vita-X is also an add-on-tool for doctors, the company additionally avails itself of the sales structures for the HPS sector. Part of the sales and marketing is therefore performed by external sales partners. Particularly in the case of sales and marketing for new systems in the HPS sector, vita-X can be offered as an additional function. Medical insurance companies, who constitute the second target group, are addressed within the context of project business with specific solutions tailored to their requirements.

Sales and marketing in respect of the third target group, patients, is carried out directly or in collaboration with other partners (e.g. DocMorris).

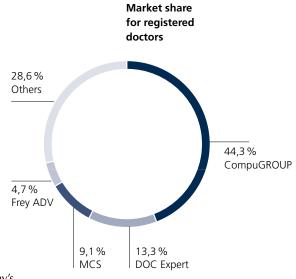
Market environment of CompuGROUP

Competition on the market for software solutions in the healthcare systems of Europe is primarily focused at national level. Due to the particularities of each of the national healthcare systems and the still incomplete European harmonisation, there have always been a huge number of different suppliers whose business is generally restricted to their own country of origin. In principle, the competition faced by CompuGROUP can be differentiated by its different business segments, although it must be noted that CompuGROUP is not active to the same extent in all segments at home and abroad.

Doctor Information Systems (DIS)

Germany

Competition in the human medicine sector in Germany is characterised by the large number of suppliers. KBV statistics reveal some 150 different suppliers for registered doctors alone. Many of these competitors, however, have a small customer base (source: KBV statistics). Ongoing technical changes, stimulated in Germany partly by the introduction of the eHealth card, mean that DIS must fulfil numerous new technological requirements. This means huge development expenditure, particularly for smaller suppliers, compared to their relatively low number of users. Against this background, the company believes that smaller suppliers with small customer bases will gradually be squeezed out. In the company's view, this will present opportunities for larger suppliers in particular.



Today, four main suppliers already account for 73% of the market for registered doctors. With a market share of around 44%, CompuGROUP is the clear market leader for DIS for registered doctors in respect of the doctors of relevance to the company (i.e. not including psychiatrists and psychotherapists) (Source: KBV statistics).

In detail, the market shares of the major competitors in human medicine in Germany are distributed as shown in the following chart:

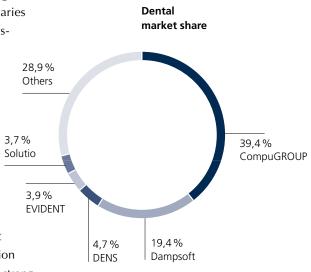
On the dental medicine market, CompuGROUP faces even stronger competition than that for human medicine. Through its subsidiaries CompuDENT and ChreMaSoft, CompuGROUP's software systems have a market share of some 40% in Germany (Source: KBV statistics).

In detail, the market shares of the major competitors in dentistry in Germany are distributed as shown in the following chart:

Hospital Information Systems (HIS)

Germany

CompuGROUP is still in the process of building up business in the hospital segment in Germany. The company believes that its most recent foreign acquisitions in the Hospital Information Systems sector for acute and rehabilitation clinics also put it in a strong



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position to expand its hospital business in Germany. By creating Systema Deutschland, CompuGROUP has additionally built a strategically important starting basis for obtaining a larger market share in the hospital sector in Germany. At present, Systema Deutschland is already the market leader in respect of software solutions for university dental hospitals, where, based on the company's own calculations, Systema Deutschland currently has a market share of over 53% here.

Austria

Having acquired Systema group in 2006, CompuGROUP is one of the leading suppliers of hospital systems in Austria. According to its own calculations, products of the Systema Group are used in around 47% of acute hospitals in Austria. Relative to the number of hospital beds, the figure is 46%. This corresponds to 83 hospitals with around 25,800 beds.

Turkey

TEPE, in which the majority stake was acquired in January 2007, is one of the leading suppliers in the hospital sector in Turkey. TEPE faces very little competition at present, particularly in the Hospital Information Systems sector in Turkey. Although a number of competitors offer hospital software systems, these usually relate to general administration duties and accounting functions.

Currently the company sees itself well positioned in the market. The workflow-based systems conform to international standards and contain all basic functions required for everyday work in hospitals. TEPE also has many years of experience on the Turkish market and has traditionally maintained good links to the state institutions responsible for hospitals. The company believes that this gives it a critical advantage, particularly compared to foreign suppliers.

Health Connectivity Services (HCS)

In the HCS communication and data subsegment, the company is confronted with the main competitors of the HPS segment. These include Doc-Expert and MCS in particular. These market the advertising space available in their software systems through Medatis AG ("Medatis"), which claims to offer access to around 42,000 doctors in Germany. Because of its broad access to medical practitioners in Germany, CompuGROUP believes it is better positioned than Medatis, especially for information on pharmaceutical products. Products such as the ifap drugs database are also used as "stand-alone solutions" in other practice software systems and thereby offer pharmaceutical and generic drug companies even broader access to doctors. Moreover, in contrast to pure pharmaceutical advertising, the database offers the option of transporting additional pharmaceutical information, something that the company sees as giving it a decisive edge over its competitors.

In contrast to the communication and data sub-segment, CompuGROUP believes that it faces little competition in both the workflow & decision support and in the ISP subsegments. At present, for instance, CompuGroup is the sole major supplier of software solutions such as the Doc Portal in Germany. Even competitors like DocExpert or MCS have been won for products such as Verax-Liste and apply these products in conjunction with the practice software they offer.

Electronic Patient Service (EPS)

The EPS segment logically extends CompuGROUP's successful strategy of addressing and reaching medical customers to patients and all those interested in healthcare matters.

The EPS sector is subdivided into three fields:

vita-X pro: the doctor-led patient record determined by patients

This innovative, web-based patient record, which is developed by CompuGROUP allows patients, doctors and other authorized target groups in the healthcare sector to access structured diagnosis, treatment and prescription data. The possibility of exchanging structured data with resident and hospital doctors allows a prompt overview, avoids bureaucracy and protects the patient against unnecessary therapy risks such as drug intolerances.

A key feature of the doctor-led vita-X record is the consistent data protection model, which goes far beyond the data protection requirements of the eGK and irreversibly realises the primary objective, i.e. "elimination of the transparent doctor and transparent patient".

• vita-X home: the web-based health record

It gives health-conscious people the means to actively organize their health management. Any citizen can store his or her entire health documentation, such as prevention, vital statistics and inoculation data, and initiate a drug interaction check. The active cooperation of the patient keeping a health diary plays a decisive role especially in the long-term treatment of chronic illnesses such as diabetes.

• vita-X admin: the service platform for cost bearers

This special information tool provides cost bearers with an integral platform by means of which important information on health promotion campaigns and health-conscious behaviour can be directly given to policyholders. For example, information on the latest inoculation recommendations, infection warnings, IV information and BMP guidelines can be provided. Special advice functions for the chronically ill will help to avoid inadvertent misconduct. Policyholders receive important and effective assistance in choosing their doctor in the form of recommendation lists of clinics and specialist doctors.

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Corporate strategy

The strategic aim of CompuGROUP is to continue to expand its position as the leading European provider of IT solutions for the healthcare system and as one of the leading eHealth companies in Europe. The key elements of its corporate strategy can be summarised as follows:

- Expansion of the leading market position with registered doctors
- Implementation of a platform strategy for the development of Doctor Information Systems
- Expansion of the hospital business
- Expansion of activities aimed at networking healthcare stakeholders
- · Exploitation of the technology and time advantage for electronic patient records
- Further global expansion
- Further expansion of leadership in technology and innovation

Expansion of the leading market position with registered doctors

CompuGROUP believes that the primary basis and prerequisite for the continued development of business in all areas of operation is the broad customer base with registered doctors and dentists in the HPS sector. The main strategic goals of CompuGROUP therefore include the maintenance and further expansion of its market leadership and leading position in Doctor Information Systems in Germany and the rest of Europe.

CompuGROUP intends to achieve this primarily by continually improving its Doctor Information Systems (DIS) and supplementing these systems with add-on functions. The company also expects that the development efforts of suppliers will increase as the technological demands on the systems grow. The future development expenditure associated with such a technological development would constitute an insurmountable problem in financial terms for smaller suppliers with fewer customers. It makes it easier for customers to move from a technically obsolete system to a complete solution with compatible, individually selectable add-on modules. This will open up further opportunities for CompuGROUP to expand its market share in the DIS sector.

The company believes that its wide-ranging access to doctors and its strong position on the DIS market are due above all to the consistent implementation of a multi-brand strategy. CompuGROUP offers its DIS through different subsidiaries, each offering their own brands and product lines on the market. These different brands cover all the different professional and personal requirements of the various users and therefore meet the demands of many doctors for an individual IT structure. It is the company's belief that there will be opportunities to gain further market shares by taking over smaller competitors.

Implementation of a platform strategy for the development of Doctor Information Systems

Future software generations developed by CompuGROUP will be characterised by a customized front-end solution adapted to each of CompuGROUP's product lines, while the underlying back-end modules will be developed at meta level for all the main product lines. Over the medium term, this means the greatest possible centralisation of development activities, particularly for back-end modules. The company accordingly intends to build up a central development department for the back-end solutions in the HPS sector. The development and updating of the front-end products will continued to be performed by the subsidiaries. While maintaining its multi-brand strategy in the HPS sector, the company intends to exploit synergies in development work for the benefit of customers, as is already the case with the development of single platform products.

Expansion of the hospital business

Hospital Information Systems (HIS) have been a focus for the expansion strategy of Compu-GROUP since 2006. CompuGROUP has significantly expanded its activities in the hospital business, particularly through the acquisition of the Austrian Systema Group (2006) and the Turkish company TEPE (2007). The company anticipates that this sector will become the second pillar of success alongside information systems for doctors and dentists in the HPS sector over the next few years.

Unlike in the Doctor Information Systems segment, CompuGROUP's activities in the hospital business are pursued by just one uniform subsidiary and brand in each of the respective national markets. As CompuGROUP generally deals with larger public or private organisations in the hospital business, and because these organisations attach particular importance to the financial strength and stability of the IT supplier, the company plans to concentrate increasingly on the international market by offering a single brand with standard systems in this business field.

Expansion of networking activities

On the basis of its broad and established customer base in the HPS sector, CompuGROUP intends to expand its business activities in the HCS sector considerably in the future through the meta-level networking of all healthcare stakeholders. Improved interconnectivity between healthcare stakeholders with the aim of increasing efficiency and cutting costs is a declared political aim in many European countries. The company therefore expects disproportionately high growth rates in this business.

According to its own assessments, CompuGROUP currently plays a major role in networking healthcare stakeholders in Germany. Through products such as Verax-Liste and Doc Portal CompuGROUP already offers functions that legislators are planning to introduce in the future. CompuGroup intends to maintain and strengthen this lead going forward.

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Exploitation of the technology and time advantage for electronic patient records

The company believes that its vita-X product, which is already tried and tested, gives it a considerable development lead in the field of electronic, patient-oriented records, with vita-X already more than exceeding the functions expected from the eHealth card in its fourth and final stage of development. In the company's view, vita-X helps to optimise to a significant extent the exchange of information both between the different healthcare service providers and between them and the patients. The company believes that vita-X is the only electronic, patient-oriented record available at this time that is already used in practice by doctors and patients. In addition, the company is confident that its extensive access to doctors and its strong market position in respect of Doctor Information Systems put it in an excellent position to distribute to market a network product such as the electronic patient record.

The company plans to consistently exploit and strengthen its advantage in time, technology and strategy with regard to sale of the electronic patient record. It is therefore planning to bring the vita-X product to market as broadly and as quickly as possible and to improve it consistently, long before the respective functions are introduced within the context of the eHealth card. By launching the product onto the market promptly and consistently building on its existing lead in technology and strategy, the company believes that it can capture a significant share of the promising market for the electronic health card in the future.

Further international expansion

Already in a strong position in Europe, CompuGROUP intends to expand its international activities still further, particularly through acquisitions and by extending its network of strategic partnerships. The company believes that the experience it has gained from acquisition processes in the past will prove to have a positive impact on the selection of suitable target companies and their integration into the CompuGROUP corporate structure.

CompuGROUP also intends to grow more strongly outside Western Europe by means of acquisitions. The company has identified regional growth opportunities in Eastern Europe and Turkey in particular. These countries are characterised by rapid technological changes in their healthcare systems and, from the company's point of view, they offer excellent opportunities for growth and earnings. Expansion to countries outside Europe may also be reviewed.

CompuGROUP's strategy of international growth is primarily aimed at acquiring local companies with strong brands and established customer bases. CompuGROUP systematically prepares its expansion into new regional markets. Potentially interesting markets are analysed on a regular basis in order to identify possible target companies with an established customer base and/or innovative software products. The careful preparation of acquisitions, followed by a rigorous tried-and-tested programme of integration, has consistently enabled Compu-GROUP to assimilate the acquired companies smoothly within a very short period of time and to subsequently improve their competitive position and earning capacity.

Consolidating leadership in innovation

In the past, CompuGROUP has in all its segments often been able to bring new developments to market before its competitors. Previous examples of this include Verax-Liste and the Doc Portal. The company believes that its considerable innovative potential is a fundamental reason for its commercial success. It therefore intends to maintain and continue to strengthen its innovative capacity through a programme of ongoing investment in the know-how of its in-house research and development department and through targeted, technology-driven acquisitions.

Marketing

CompuGROUP relies on targeted marketing campaigns to attract new customers. These are implemented by the respective subsidiaries of the company on the basis of their own marketing plans. In doing so, the respective subsidiaries concentrate on marketing campaigns with high multiplication effects at the lowest cost. CompuGROUP's marketing and public relations work focuses on the following strategies:

- Trade fair marketing: participation in various trade fairs at home and abroad, in particular Medica in Düsseldorf
- Advertising marketing: placing advertisements for individual CompuGROUP subsidiaries in trade journals and magazines
- Customer relationship management based on existing customer databases (e.g. regular newsletters and personalised e-mailing to existing customers)
- Extensive PR work through the active communication of company information and product innovations
- Direct marketing, such as product roadshows and presentations at regional events for doctors and hospital associations or by means of training courses

Where CompuGROUP utilises external sales partners, especially in the HPS sector, in-house exhibitions, seminars and user meetings are held in agreement with these partners. The sales partner is generally responsible for organising such events, while CompuGROUP provides support with topics, speakers and materials. It will occasionally bear the costs for some aspects of such events.

Research and development

In order to maintain customer satisfaction and further increase its market share, CompuGROUP incurs considerable cost and effort in development work to ensure that it is always able to offer the latest software and service products. The development work undertaken by CompuGROUP relates to both, new developments and refinements to existing technologies. Central development is divided into three main areas:

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- Where possible and technically feasible, components of the existing information systems for doctors and dentists are developed centrally and offered to the individual product lines for integration in their systems. In some fields, this avoids overlaps in the development of identical product functions prescribed by law. The application of this method is nevertheless subject to several restrictions, as it involves well delineated, stand-alone functions which require little effort for integration into primary systems.
- Platform products which are essentially independent products plugged into the doctor or dentist systems via interfaces. Examples of these include electronic archiving systems or systems to manage appointments and optimise organisational procedures.
- Development of a new generation of information systems for doctors and dentists which make a clear segregation between the business logic and the user interface (or visualisation layer). This segregation makes it possible to implement the core functions through one-off development and maintenance work, these functions then being subsequently deployed in different products and their individual user interfaces.

CompuGROUP's development activities vary according to segment. Products are mainly developed by permanently employed staff. In a few areas, products are also developed in co-operation with external service providers. As at 31st December 2007, CompuGROUP employed around 674 people in software development work across the whole group.

Integrated Health Provider Services (HPS)

Development work in the HPS sector is characterised by the continuous updating of Doctor Information Systems caused by regular changes in billing rules and processes, partly due to the requirements of medical and dental health insurance schemes, and by the implementation of innovations and improvements in existing products. Currently, this development work is largely carried out by the individual subsidiaries, which have development teams generally consisting of around 10 people. Numerous teams across the group focus on adapting software products to new or amended legislative or contractual requirements on time. Program updates are usually required once every quarter, depending on the discipline and region. In the preparation of these quarterly updates, the first half of the quarter is generally used to incorporate innovations and improvements in the systems. Legal amendments are implemented thereafter. All new features are transmitted to customer IT systems primarily through quarterly updates. These essential regular program updates are provided to customers either physically on a data carrier or by putting them available on the internet for downloading.

The enhancement of products abroad does not usually follow the quarterly update cycles applicable in Germany as medical services are not generally billed by doctors on a quarterly basis. In France in particular, the billing of medical services used to be less complex in the past and was therefore subject to fewer ongoing changes. More complex billing codes

requiring a higher update frequency have only been introduced in stages over recent years. As the great majority of French doctors still bill online, updates are likewise transmitted online and are thus not subject to fixed intervals.

The products are also developed by the individual subsidiaries of CompuGROUP Holding. At present the whole of CompuGROUP is working on the development of a new software generation, both for Doctor Information Systems and for Hospital Information Systems. In this context, the company plans to concentrate part of its development activities on central, inter-system software components.

Health Connectivity Services (HCS)

In contrast to the HPS segment, development on new software products in the HCS segment is centralised. The main development work in this segment is performed by CompuGROUP Software GmbH, which has a development department with on average 20 employees. The development work is carried out across platforms in close co-operation with the development departments of the CompuGROUP companies in the HPS segment, as HCS products are generally employed in all Doctor Information Systems of CompuGROUP. Typical examples include Verax-Liste and the Doc Portal. In contrast to the HPS segment, the development cycles in the HCS segment are not necessarily tied to quarterly cycles. Data updates associated with these products (e.g. for Verax-Liste) are generally issued together with the quarterly updates for the DIS systems.

Electronic Patient Services (EPS)

Development work in the EPS segment essentially follows the same pattern as in the HCS segment. The company has a dedicated team at vita-X AG that concentrates solely on the development of the vita-X electronic patient record. Development of the vita-X system was and still is one of the most demanding development projects undertaken by CompuGROUP. The vita-X system comprises three components in total: the decentralised security and communication component interfacing with the Doctor Information Systems, the central server component and the central Customer Relationship Management (CRM) system. The decentralised component accesses the electronic patient record via the vita-X card, which contains what are known as pointers and the encoding details that are used to find the medical data stored anonymously on central, high-security servers. The central server components store the data of the electronic patient record and authorise a doctor to access the patient's data. All medical data kept on the central server systems are stored in anonymous, encrypted form. The storage procedure conforms to the requirements of the Data Protection Act and has been patented throughout Europe.

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Intellectual property, trade marks and domains

Patents, utility patents and design patents

CompuGROUP currently has over 30 patents and utility patents or corresponding applications. The applications for industrial property rights, including those property rights already granted, all date from 2002 or later. Under German law, patents are generally granted for a period of twenty years, utility patents usually for ten years. It is possible to extend the period of a patent, so the industrial property rights granted still have considerable residual terms. Most patents or applications are held by CompuGROUP Holding, some of them by via-X AG.

CompuGROUP also regularly claims industrial property rights in foreign countries. In particular, CompuGROUP has six European patents or applications and a further three worldwide patent applications. In addition, CompuGROUP has a patent in the United States. The decision to apply for a European or an international patent is made on the basis of the current and future commercial relevance of the patent for CompuGROUP.

The portfolio of patents and utility patents held by CompuGROUP originates primarily from employee inventions, which are claimed under the terms of the German Employee Invention Act in a general, standardised procedure. Patents for these are applied for with the help of external patent lawyers. The majority of the inventions contained in these patents and applications are used by CompuGROUP in its current software products. In individual cases, CompuGROUP uses licences to assert itself of third-party industrial property rights. However, the company is not dependent on these in its present operations.

In the company's view, the following industrial property rights and applications are of major significance for the business activities of CompuGROUP in the respective segments:

- vita-X: In connection with its vita-X system, vita-X AG holds a total of four domestic and
 international patents, patent applications and utility patents. These are associated with the
 computer system and the procedure for storing patient data and the vita-X chip card. In
 particular, the company has obtained protection for the division of the vita-X servers into
 registration index and data servers, the relocation of the index directory from the vita-X
 chip card to the server, and the system for storing the primary key and the pointer to the
 index directory on the Vita-X chip card.
- Evaluation of data for prescribing drugs: In the context of evaluating data for prescribing drugs, CompuGROUP is currently applying for a patent for a process to retrieve data from numerous independent databases. This process enables the data from findings to be transmitted online from the Doctor Information System by means of a so-called data farm product. The company has additionally derived a utility patent from the patent application, for which; the company has already been granted the appropriate protection for this.

• Automatic identification of patients for Disease Management Programs ("DMP"): CompuGROUP offers the automatic identification of patients for DMP programs as an add-on function for individual Doctor Information Systems. In this regard, the company is currently pursuing an application procedure for patenting a data processing system to generate a signal that enables patients to be automatically identified for participation in a DMP program. In particular, the data processing system comprises a candidate scanner for all patients and a scanner for current treatment data.

Trade marks

Trade marks have been registered in Germany for the main brands, in particularly the brand name "CompuGROUP" and further brand names for companies and product names of subsidiaries of CompuGROUP Holding. Examples include MEDISTAR Praxiscomputer, TURBOMED, Albis online and CompuDENT.

Domain names

CompuGROUP Holding has registered numerous domain names for itself and its subsidiaries. In particular, these include compugroup.de, compugroup.com and further domain names of the websites of the major subsidiaries' websites.

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The Management Board

Frank Gotthardt, Chairman of the Management Board

Frank Gotthardt, born in Siegen in 1950, studied information technology in Bonn. He is married and has a son.

Frank Gotthardt began his business career in the health service with the production of software for dentists. From these beginnings the CompuGROUP concern grew under his leadership into one of the leading eHealth companies in Europe.

Jan Broer, Director Networking

Jan Broer has been the director responsible for communication and networking since November 2003.

He is also the managing director of various subsidiaries as well as chairman of the Advisory Board of telemed GmbH.

He first began working for CompuGROUP in 1998, moving on to become head of sales and managing director of ALBIS Ärtzeservice Product GmbH & Co. KG. Before entering the world of business, he studied economic science at Bergische University in Wuppertal.





Dr. Erik Massmann, Finance Director

Dr. Erik Massmann joined CompuGROUP Holding AG as finance director in 2003.

Dr. Massmann studied macroeconomics at Free University of Berlin from 1989 to 1993, achieving a doctorate in the subject. After a number of years in investment banking with DG Bank in Frankfurt, Dr. Massmann joined the board of IBS AG in Höhr-Grenzhausen, an IT provider specialising in quality management processes, as finance director. Under his leadership IBS AG was listed on the stock exchange early in 2001.

Uwe Eibich, Director Doctor Information Systems

Uwe Eibich was appointed to the board of CompuGROUP Holding AG on 1 January 2007, where he is responsible for the Health Provider Services (HPS) division, which focuses on "doctor information systems for registered doctors and dentists".

Mr Eibich joined CompuGROUP in 1998 and has assisted in the international expansion of CompuGROUP since 2004. Uwe Eibich was born in Duisburg in 1962 and has three children. He is a graduate in information technology and studied in Berlin and Bonn.

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The Supervisory Board

Prof. Dr. Klaus Steffens, Chairman

Doctor of engineering, Bernried, former managing director of MTU Aero Engines GmbH.

Born in 1950, Dr. Klaus Steffens studied heavy engineering and aerospace technology at RWTH and subsequently worked in research management at the university and the Fraunhofer-gesellschaft as chief engineer and managing director.

Moving to engine manufacturer MTU in 1996, where he was responsible for engineering, he oversaw important aerospace programmes and was chairman of the Management Board from 2000 until the end of 2004. This period saw a number of major strategic decisions such as the globalisation of the company, years of excellent financial results, and the sale of the company to KRR as well as preparation for listing on the stock exchange. Today he is still a member of the supervisory board of MTU as well as numerous other boards in industry and research.

Dr. Klaus Esser, Vice Chairman

General Atlantic LLC., Düsseldorf former chairman of the Management Board of Mannesmann AG

Dr. Klaus Esser is a jurist and master of business administration (MIT Sloan School). After working as a lawyer in New York, he was employed at Mannesmann for 22 years, holding positions including head of the tax department, finance director of Mannesmann Demag AG, group finance director of the group, director of the telecommunications division and chairman of the Management Board. Since 2000 he has been managing director of General Atlantic LLC, a private equity firm that invests in fast growing companies across the world. General Atlantic has been a shareholder of CompuGROUP since 2003, when Dr. Esser joined the Supervisory Board.

Dr. Daniel Gotthardt

Doctor, University Hospital of Heidelberg

Dr. Daniel Gotthardt studied medicine in Heidelberg. After passing the 3rd State Examination, he started work as an assistant doctor in the Internal Medicine IV department at the University Hospital of Heidelberg in February 2004.

He graduated from the Max-Planck Institute for Medical Research in Heidelberg and from Imperial College, London. He obtained his doctorate in medicine in April 2004. Dr. Daniel Gotthardt joined the Supervisory Board in 2003.

Prof. Dr. Rolf Hinz

Dentist and orthodontist

Manager of Haranni Clinic GmbH & Co. KG, Herne

Professor Dr. Hinz is a dentist and orthodontist who has also taught dentistry and orthodontics for many years, including at Witten-Herdecke University. Professor Hinz has led the Haranni Clinic – a centre for interdisciplinary treatment and, with the associated Haranni Academy, a research centre for health professions – in Herne since 2002. Professor Hinz joined the Supervisory Board in 1993.

Ursula Keller

Employee representative of CompuGROUP Holding AG

Ursula Keller has worked for CompuGROUP since 1990. From 1995 to 2003 she was head of the "inform-academy" seminar department. She has been in charge of the Self-administration department since 2004.

Mathias Lange

Employee representative of CompuGROUP Holding AG

Mathias Lange completed his commercial training at CompuGROUP from mid-1996 to the start of 1999. In 2003 he then obtained the master's certificate for commercial clerks as an ICC-examined personnel officer. Mathias Lange works in the personnel department of CompuGROUP. His sphere of duties includes recruitment and supporting all trainees at the Koblenz site.

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CompuGROUP Share

While stock markets frequently hit all-time highs again and again in the first half of the year due to soaring global economic growth, corporate earnings and buoyant merger and acquisition activity, in the second half the increasing crisis of confidence in the financial sector led to risk-aversion among investors.

Although the first signs of the subprime crisis first came to light in spring, it was only the financial losses of some hedge funds and the problems faced by IKB and Sachsen LB that triggered a clear reaction on financial markets. Due to the aggravating tension on the interbank market resulting from increasing insecurity with regard to valuations, the major central banks intervened to inject large amounts of liquidity. In addition, the FED began a phase of interest rate reductions in September, which was followed by other Anglo-Saxon central banks.

Despite the increasingly uncertain economic environment, equities performed relatively well. However, based only on the German benchmark DAX, which in relation to other major indices had been quite positive, gives a false picture of the situation. Since the beginning of the year, the DAX increased by some 20% and the Hang Seng as much as 33%. However, neither of these developments is representative for the other stock markets. In euros, the MSCI world price index had actually slipped 2.4% year to date November 2007. In the last six months, the DAX fell back six times after rising above 8000 points. In 2007 the major stock markets somewhat underperformed.

The CompuGROUP share closed on December 28, 2007 at an XETRA price of EUR 13.40. Market capitalization on December 28, 2007 amounted to EUR 697.71 million. An average of 47,481 shares were traded each day over the 2007 business year since the second public offering on May 4, 2007.

In May 2007 the company completed the planned initial public offering and was admitted to the official market of the Frankfurt Stock Exchange (Prime Standard). The shares have been traded on the official market of this stock exchange (Prime Standard) since 4 May, 2007. Net proceeds of the IPO amounted to some €125 million from the IPO. In addition, the listing on the stock exchange opens up new opportunities and prospects to further consolidate the company's market position and capture of new markets.

Under the IPO, the company's share capital was increased by EUR 7,340,600, from EUR 45,878,750 to a total of EUR 53,219,350. This was realized by means of a cash rights issue from authorized share capital, decided by the Management Board and approved by the Supervisory Board. The share capital is divided into 53,219,350 registered shares with WKN number 543730 (ISIN: DE000547305).

Master data

WKN: 543730

ISIN: DE0005437305 Stock symbol: COP

Trading places:Frankfurt, Düsseldorf,
München, Berlin/Bremen

Market segment: Prime Standard/Amtlicher

Handel

Designated Sponsors:

Deutsche Bank AG, Lehman Brothers International (Europe)

First listing: 4.5.2007

Earnings per share

In 2007 the company was able to increase its EBITDA by 35% to EUR 51.6 million, net profit by more than 100% to EUR 22.8 million and cash net income (net profit for the year plus depreciation and impairment on intangible assets, except for depreciation and impairment on self-developed software) by approx. 67% to EUR 41.8 million. The following table sets out the relevant key data pertaining to the share.

	2007	2006
Earnings attributable to the parent company shareholders (€ 000)	23,032	11,731
Number of ordinary shares (units)	45,878,750	45,878,750
Number of treasury shares	-532,350	-532,350
Number of shares until May 04,2007	45,346,400	45,346,400
Number of ordinary shares (units)	53,219,350	0
Number of treasury shares	-532,350	0
Base (units) since May 04,2007	52,687,000	0
Earnings per share (€)	0.43	0.25
EBITDA (adj.) per share	0.98	0.72
Cash net income per share	0.78	0.55
PE (on cash net income)	15	21
PEG (on cash net income)*	0.5	0.7

PEG – relative to cash net income at an assumed growth in earnings for 2007 far in excess of forecasts due to special effects gives a PEG of 0.5 tax.

This means:

- 1. At a PEG of 0.5, CompuGROUP's share is currently a bargain.
- 2. The PEG of 0.5 and the relatively low trading volumes in CompuGROUP shares presents a challenge for investor relations.

CompuGROUP is a highly profitable and fast-growing company in a key market. In Europe it enjoys by far the best position in respect of medical decision-makers, i.e. doctors. It offers the innovative capacity and consistent action necessary for sustained and profitable growth. Until the initial pubic offering, the company had hardly been noticed by financial markets. Before the IPO in 2007, during the process and afterwards we began to step up communication of the success of CompuGROUP. This is an ongoing process and it will take time for us to increase the reach of our information to a significant extent. We are working on this. Through our website, we offer the maximum transparency to shareholders and others interested in our company. We present CompuGROUP Holding AG to institutional investors in Europe and the USA through roadshows and conferences. In addition, we organize analyst and telephone conferences as well as numerous one-to-one interviews.

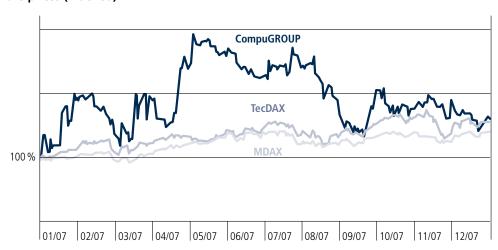
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Share prices (indexed)



Corporate Governance

The Management Board identifies with the objectives of the Code, which are to promote responsible and transparent leadership and control in order to increase the company's value. In accordance with § 161 of the German Stock Corporation Act (AktG), it sets out those recommendations and/or suggestions of the German Corporate Governance Code as amended on June 14, 2007 with which it has not complied to date. The Management Board intends to maintain these points of non-compliance going forward.

The Management Board does not follow the recommendations in section 2.3.4 of the Code (option to attend the general shareholder's meeting through modern communication media) because it does not believe that this is economically justified.

In addition, the company does not adhere to section 3.8 of the Code (agreement of an appropriate deductible in the execution of directors' and officers' insurance). The company assumes, that its management institutions as well as other employees will go about their work with the greatest possible care. The Company believes that a deductible would therefore have no additional effect.

Furthermore, the Company currently does not implement section 5.1.2 of the Code (determination of age limits for members of the Management Board) because this matter has not been an issue for the Company in its business to date.

In addition, the Company does not follow section 5.2 of the Code (head of the audit committee not to be the chairman of the supervisory board) because the Company believes that such a limitation is not appropriate in light of the composition of the Supervisory Board.

At present, the company does not follow the recommendation of section 5.3.3 of the code, which provides for the creation of a nomination committee.

Finally, the Company does not intend to implement section 5.4.7 of the Code (performance-related remuneration of members of the Supervisory Board) because all members of the Supervisory Board perform their duties with utmost dedication, motivation and a shared commitment to the long-term success of the Company. The Company therefore believes that it is not necessary to pay an additional performance-related remuneration.

Report of the Supervisory Board

- The Supervisory Board of CompuGROUP Holding AG carried out its duties under the law and its articles of association during 2007. The Supervisory Board regularly advised the Management Board in its management of the company and supervised the company's management team. The Supervisory Board was directly involved in all decisions of major significance to the company.
- The Management Board informed the Supervisory Board regularly, comprehensively and promptly by means of verbal and written reports on all issues of relevance to corporate planning and strategic development, the course of business, the general situation of the group including any risks, and risk management.
- The Supervisory Board obtained regular reports from the Management Board as to measures taken to improve results and possible, planned and completed company acquisitions. Deviations from the business plans and targets were explained to us in detail.
- There were no changes in the members of the Supervisory Board during the year under review.
- In December 2006 the Supervisory Board set up an accounting committee comprising three of its members. In addition to the chairman, Prof. Dr. Klaus Steffens, and the vice-chairman, Dr. Klaus Esser, Mrs Ursula Keller is a member of this body. The accounting committee held five meetings in total in the year under review and prepared the resolutions of the Supervisory Board. The Supervisory Board was regularly informed of the work of the accounting committee.
- The Supervisory Board held four ordinary meetings in the year under review. Decisions were also taken in seven telephone conferences:
- The 2006 financial statements of CompuGroup Holding AG, the consolidated financial statements for 2006 and the reports of the Management Board were explained in the presence of the auditor in the meeting held for the purposes of approving the annual accounts. The annual financial statements of CompuGroup Holding AG were approved and the consolidated financial statements were adopted. The Management Board reported to the Supervisory Board on the arrangements made to date made in respect of the planned initial public offering of the company and on the current financial situation of the different business segments. Further activities, plans and financings for the 2007 financial year were also presented to the Supervisory Board. Dr. Erik Massmann was unanimously appointed to the Management Board of the company for a further three years from 01/11/2007 until 31/10/2010.
- In April and May 2008 further decisions were taken in connection with the initial public offering and the preparations for the Annual General Meeting. The share capital was increased to EUR 53,219,350.00 through the issuance of 7,340,600 shares each with a value of EUR 1.00 each. The Supervisory Board agreed to the agenda for the Annual General Meeting of the company on 19 June, 2007.

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In advance of the Annual General Meeting the Supervisory Board discussed compliance with the recommendations concerning the German corporate governance code and agreed to the statement of compliance issued by the Management Board. The statement of compliance was made permanently available to shareholders on the company's website.

Other subjects discussed always included potential acquisition activity. In this context the Management Board gave some information on the possibility of acquiring iSOFT plc, headquartered in Great Britain. In telephone conferences the Supervisory Board was informed in detail of the takeover bid planned by the Management Board for iSOFT plc and discussed the opportunities and possible risks associated with it.

The Supervisory Board was also consulted on several possible acquisitions in Germany, Austria and Poland and approved the proposals put forward by the Management Board.

In October 2007 Mr Frank Gotthardt was appointed Chairman of the Management Board for a further five years from 01/07/2008.

The Management Board presented CompuGROUP's budget for 2008 to the Supervisory Board, which approved it.

The Supervisory Board received in due time the 2007 annual financial statements, the consolidated financial statements and the annual report of the AG and of the group that were prepared by the Management Board as well as the Management Board's recommended appropriation of net profit for the year and the corresponding auditor's reports. The accounting committee also reviewed the documents in advance and prepared the respective resolution. At the meeting of the Supervisory Board held in March 2008 to approve the annual accounts, staff of the audit firm answered all the questions of the Supervisory Board in person.

PricewaterhouseCoopers AG (PWC), the auditors elected by the Annual General Meeting and appointed by the Supervisory Board, audited the annual financial statements for CompuGROUP Holding AG, the consolidated financial statements and the respective annual reports of the AG and of the group for the year ended 31/12/2006, including accounting records, in accordance with statutory provisions and issued an unqualified audit opinion thereon.

The Supervisory Board took note of the audit's findings and did not raise any objection.

In accordance with § 171 AktG, the Supervisory Board reviewed and adopted the annual financial statements of the parent company and the group, the annual reports of Compu-GROUP Holding AG and the group, the Management Board's recommended appropriation of net earnings for the year and the risk management report. The financial statements of CompuGROUP Holding AG are therefore approved. The consolidated financial statements were adopted.

The Management Board submitted the report prescribed by § 312 AktG concerning relationships with related companies (dependency report) to the Supervisory Board together with the declaration required by § 312 Para. 3 AktG. The aforesaid auditor has checked the dependency report and issued the following certificate confirming the results of the audit:

"We have reviewed that

- 1. the actual details in the report are correct,
- 2. the payments made by the company were not unreasonably high for the legal transactions listed in the report."

The Supervisory Board noted and approved the result of the audit and reviewed the dependency report. Following the final results of the review by the Supervisory Board, no objections are raised either against it or against the Management board's declaration at the end of the dependency report.

The Supervisory Board would like to thank all the members of the Management Board and the employees of CompuGROUP Holding AG and those of its affiliated undertakings for their commitment and the work performed.

Koblenz, March 2008

The Supervisory Board

Prof. Dr. Klaus Steffens

Chairman

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Disclosures on takeover law

- In the interests of transparent reporting, CompuGROUP sets out in compliance with §315 (Para. 4) of the German Commercial Code (HGB) all the structures and mechanisms which could impede the takeover of, and exertion of control over, the company. The following information in accordance with § 315 Para. 4 HGB is valid as at the publication date of this annual report in March 2008.
- Any takeover of CompuGROUP Holding GmbH is largely dependent on the stake held by CEO Frank Gotthardt who, along with the shareholder group comprising further members of the Gotthardt family, holds a total of 45.9 % of the voting share capital of CompuGROUP Holding AG. In addition, the shareholder group led by General Atlantic holds 16.67 % and Dr. Reinhard Koop holds 4.2 % of CompuGROUP Holding AG. Shareholder and pooling agreements have also been concluded between the different shareholder groups in order to guarantee consistency in the exercise of voting rights.
- In the course of the IPO the members of the aforementioned shareholder groups also gave undertakings to the banks that they would not dispose of the shares they hold without the prior consent of the banks for a period of six months from the listing of CompuGROUP Holding AG shares on the Frankfurt Stock Exchange.
- It must be assumed that employees have an equity in the capital of the company. The Board is not, however, aware that employees hold a significant stake in CompuGroup Holding AG.
- Each share confers one vote at the Annual General Meeting. There are no restrictions or privileges in respect of the voting rights. Currently the subscribed share capital comprises 53,219,350 registered shares. No shares with special rights conferring powers of control exist.
- The appointment and dimissal of members of the Management Board are determined in accordance with the legal provisions of §§ 84, 85 of the German Stock Corporation Act (AktG). In the case of amendments to the articles of association, we comply with the legal provisions of §§ 179, 133 AktG.
- No compensation agreements were concluded with the members of the Management Board or employees in the case of a takeover bid.

2007 Financial Statements CompuGROUP Holding AG

► Balance sheet

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COMPUGROUP HOLDING AG

Balance Sheet as at 31 December 2007

Assets

	€	€	31/12/2007 €	31/12/2006 € 000
A. Fixed Assets				
I. Intangible assets				
1. Software	312,746.00			92
2. Payments on account	0.00			220
		312,746.00		312
II. Tangible fixed assets				
Other assets, plant and equipment		1,554,436.55		1,436
III. Financial assets				
1. Shares in affiliated companies	159,044,110.17			139,415
2. Loans to affiliated companies	41,701,658.81			0
3. Equity investments	494,135.17			494
		201,239,904.15		139,909
			203,107,086.70	141,657
B. Current assets				
I. Receivables and other assets				
1. Trade receivables	35,931.69			37
2. Receivables from affiliated companies	28,185,009.08			21,816
3. Other assets	5,556,527.02			3,014
		33,777,467.79		24,867
II. Securities				
Treasury shares		511,548.30		512
III. Cash at bank and in hand, bank balances		11,146,621.65		397
			45,435,637.74	25,776
C. Accruals and deferrals				
			41,502.00	6
			248,584,226.44	167,439

Liabilities

	€	31/12/2007 €	31/12/2006 € 000
A. Equity			
I. Subscribed share capital	53,219,350.00		45,879
II. Capital reserves	140,471,177.45		6,602
III. Profit reserves	903,955.34		904
IV. Retained earnings brought forward	5,844,381.14		0
V. Net income	5,564,080.77		5,844
		206,002,944.70	59,229
B. Provisions			
1. Provisions for taxation	134,300.00		1,261
2. Other provisions	1,878,472.65		3,171
		2,012,772.65	4,432
C. Liabilities			
1. Bank payables	2,430,088.06		46,004
2. Trade payables	492,274.67		531
3. Payables to affiliated companies	35,240,258.91		55,537
4. Other liabilities	2,405,887.45		1,706
– from taxes: € 2,054,734.43			(1,538)
– within the context of Social Security:			
€ 8,719.17			
		40,568,509.09	103,778
		240 504 226 44	467.422
		248,584,226.44	167,439

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COMPUGROUP HOLDING AG

Income Statement for the year ended 31 December 2007

	€	2007 €	2006 € 000
1. Sales		6,891,699.70	5,853
2. Other operating income		780,180.14	2,940
3. Personnel expenses			
a) Salaries	5,527,281.12		4,608
b) Payroll deductions	622,638.73		532
		6,149,919.85	5,140
Writedown on intangible fixed assets On fixed assets and property plant and equipment		230,945.57	151
5. Other operating expenses		9,348,554.69	7,582
6. Income from equity investments		27,276,000.52	5,557
– of which affiliated companies € 27,276,000.52			(5,557)
7. Income from profit transfer agreements		18,095,136.89	12,506
8. Other interest and similar income		3,557,862.16	987
– of which affiliated companies € 2,181,304.14			(919)
9. Interest and other expenses		8,424,410.58	5,560
– of which affiliated companies € 4,018,148.94			(2,840)
10. Expenses from losses assumed		2,641,324.92	0
11. Operating profit from ordinary activities		29,805,723.80	9,410
12. Extraordinary expenses		-25,072,531.67	0
13. Net extraordinary items		-25,072,531.67	0
14. Corporation tax		-839,226.64	3,560
15. Other taxes		8,338.00	6
16. Net profit for the year		5,564,080.77	5,844
17. Retained earnings brought forward from the previous year		5,844,381.14	0
18. Retained earnings carried forward		11,408,461.91	5,844

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^{*} HGB = Handelsgesetzbuch – German Commercial Code

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General

The balance sheet of CompuGROUP Holding AG, Koblenz as at 31 December 2007, was prepared pursuant to the regulations of commercial and corporation law applying to large corporate enterprises

Balance Sheet

Accounting policies

The balance sheet was drawn up in accordance with the presentation provided in § 266 of the HGB.

Options exercised on items included in the financial statement and related valuation methods are stated below with the individual balance sheet items.

The underlying accounting policies have not changed from the previous year. Any deviations and their effect on the financial situation and earnings are explained with the respective balance sheet and/or income statement items.

Fixed Assets

The change in fixed assets is given in the statement of fixed assets (Note 1 attached).

Intangible and tangible fixed assets

The intangible assets and tangible fixed assets acquired were valued at purchase or production costs less scheduled depreciation.

Depreciation is calculated based on the asset's estimated useful life as follows:

Assets	Depreciation term (in years)	Depreciation method
Intangible fixed assets, software	3–8	Straight line
PC work stations		Fixed value (s. u.)
Office furniture and equipment		Fester (s. u.)
Other plant and equipment	4–15	Straight line
Equipment installed on third party property	10–19	Straight line
Cars	3–6	Straight line
Low-value assets up to € 410.00	-	100 % in the year of acquisition

There was no impairment on intangible assets and tangible fixed assets.

The PC work stations and the office equipment values above were stated at standard costs.

The last fixed asset physical inventory and adjustment took place in 2006.

Financial Assets

Financial assets are valued at the lower of cost and market value as at the balance date. There were no impairment charges or impairment write-backs in the year.

Current Assets

Receivables and other assets

Receivables and other assets are in principle stated at face value. Foreign currency receivables are valued at the lower of the exchange rate prevailing when purchased and the closing rate.

Receivables with a remaining time to maturity of more than one year as at the balance sheet date can be broken down as follows:

	2007	2006
	€ 000	€ 000
Other assets	1,439	1,017

Receivables from affiliated companies result principally from intercompany cash management. These receivables thus affect other assets (Notice of relationship).

Other assets include tax receivables of € 3,925,000 from corporation and trade tax credits.

Treasury shares

For treasury shares, see Reserve for treasury shares, (p. 60) of the notes.

Equity

Subscribed share capital

The subscribed share capital is divided into 53,219,350 bearer shares with the security identification no. 543730 (ISIN: DE0005437305). Under the initial public offering conducted in May 2007, the Company's subscribed share capital increased by €7,340,600.00 from €45,878,750.00 to €53,219,350.00 following a cash rights issue from authorised share capital as decided by the Management Board and approved by the Supervisory Board.

The increase in the subscribed share capital was registered in the Commercial Registry on 2 May 2007.

Authorised share capital

With the decision of the shareholders general meeting dated 16 August 2006, the Management Board was authorised, with the approval of the Supervisory Board, to increase the share capital by up to €22,939,375.00 by one or more share issues in exchange for cash contribution and/or non-cash contributions until 16 August 2011. Due to the €7,340,600.00

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capital increase, from authorised share capital, the authorised share capital is reduced accordingly to €15,598,775.00. With the approval of the Supervisory Board, the statutory priority subscription right of the shareholders may be excluded due to various premises. Furthermore, the Management Board was authorised with the approval of the Supervisory Board to determine the details for capital increases from authorised share capital.

Breakdown of reserves

	Brought forward as at 1/1/2007	Transfers during the year	Withdrawals during the year	Balance as at 31/12/2007
	€	€	€	€
Capital reserves	6,602,291.70	133,868,885.75	0.00	140,471,177.45
Profit reserves, legal reserve	392,407.04	0.00	0.00	392,407.04
Reserve for treasury shares	511,548.30	0.00	0.00	511,548.30
	7,506,247.04	133,868,885.75	0.00	141,375,132.79

Capital Reserve

The transfer of €133,868,885.75 to the capital reserve results from the (€124,790,200.00) premium on issue of new shares in conjunction with the IPO, a (€9,000,000.00) capital payment from a major shareholder posted to capital reserves and the (€78,685.75) sale of unexercised subscription rights of shareholders on the market.

Legal Reserve

The legal reserve was established in previous years and is unchanged in 2007.

Reserve for treasury shares

The reserve for treasury shares pursuant to § 272, Para.4 4 HGB was established in previous years and is unchanged in 2007.

The Company owns 532,350 bearer shares, which were acquired in 2001. Treasury shares on the balance sheet stated at cost of €511,548.30 had a market value of €7,133,490.00 as at 31 December 2007. The off-balance sheet capital gain thus amounts to €6,621,941.70. The current proportion of the 532,350 treasury shares in relation to the 53,219,350 total number of shares amounts to 1.00%.

Pursuant to the decision of the shareholders general meeting dated 19 June 2007, the Management Board was authorised to acquire treasury shares of up to 10 % of the share capital registered in the Commercial Registry in the amount of €53,219,350.00 for any permissible purpose subject to legal restrictions. Should the share capital amount to a lower figure at the time of purchase, this authorisation shall be reduced accordingly.

The authorisation takes effect from 19 June 2007, and may be exercised in part on one or more occasions until 18 December 2008. The Company has informed the Bundesanstalt für Finanzdienstleistungsaufsicht (German financial services regulator) as required under § 71, Para. 3, page 3 AktG.

With effect from the effective date, this authorisation supersedes the previous authority for the purchase of treasury shares. Authorisation to purchase treasury shares pursuant to the 19 June 2007 resolution remains unchanged.

In accordance with a management board resolution dated 23 January 2008, the Company plans to purchase up to 500,000 treasury shares representing some 0.94% of share capital. The purpose of the share buybacks is to use the purchased shares in whole or in part for future company acquisitions, purchase of equity investments or partial company takeovers.

Retained earnings brought forward

	€ 000
Retained earnings brought forward 31/12/2006	0
Net profit 2006	5,844
Retained earnings carried forward 31/12/2007	5,844

Net Profit for the year

It will be recommended to the shareholders general meeting to carry forward the net profit for the year ended 31 December 2007

Differences between the Income Statement and the Balance Sheet

The income statement includes new lines designated under § 158 Para.1 AktG. The net profit for the year amounts to €11,408,461.91. Since there was no complete or partial appropriation of net profit for the year, equity is broken down in the balance sheet pursuant to § 266, Para. 3 A. HGB.

Provisions

Provisions for taxation

Tax receivables are included in the year-end accounts (see receivables and other assets). The provisions for taxation consist entirely of provisions for deferred taxes (€134,000; previous year: €409,000).

Other Provisions

Other provisions consist primarily of the following:

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COMPUGROUP HOLDING AG

	2007 € 000	2006 € 000
Personnel costs	1,117	398
Annual financial statement costs	285	395
Legal fees	240	109
Restoration liability	119	116
Other provisions	53	105
Outstanding invoices	50	285
Partial retirement	14	28
Outstanding purchase price payments	0	1,735
	1,878	3,171

Other provisions include all identifiable accounting risks at the time of preparing the balance sheet and all uncertain liabilities were valued based on reasonable commercial assumptions.

Liabilities

Liabilities are stated at the amount repayable. Foreign currency liabilities are stated at the higher of the original exchange rate and the closing rate.

Liabilities to affiliated companies largely relate to the intercompany cash management. These liabilities thus affect other liabilities to these companies (Notice of relationship).

All liabilities fall due in less than one year.

Notes to the Income Statement

Accounting and Valuation Methods

The Income Statement was broken down pursuant to regulations under § 275, Para. 2 HGB requiring the total expenditure format.

Changes in the statement and prior year adjustments are stated and itemised pursuant to § 265, Para. 2, Clause 3 HGB as follows:

- The prior year accounts for purchases represent other operating costs. The prior year other operating costs have therefore been increased by €305,000 to include the value of prior year purchases.
- Due to a disclosure error, prior year investment income was reduced by €576,000. This
 concerns an increase in value of shares in affiliated companies, which is now reported under
 other operating income.

Breakdown of sales (§ 285, No. 4 HGB)

€5,393,000 of the Company's sales relate to Group recharges, most of which were earned in Germany.

In addition, the Company posted sales of €1,000,000 for licensing software to a French subsidiary.

The remaining sales concern other recharged costs.

Extraordinary expenses (§ 277. Para. 4, Clause 2 HGB)

Extraordinary expenses were as follows:

	€ 000
Special bonus for Management Board members	
in conjunction with the IPO	
(See Management Board members' remuneration)	17,324
IPO costs	7,748
	25,072

IPO costs largely concern fees to the participating banks as well as consulting fees to third parties.

Expenses and income from other years (§ 277, Para. 4, Clause 2 and 3 HGB)

There were no material expenses or income from other years in 2007.

Other

Average number of employees

Employee categories	Average number of employees		
	2007	2006	
Employees	94	82	

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COMPUGROUP HOLDING AG

Details about the Members of Board of Directors and the Supervisory Board

Management Board::	Job Held/Membership in the Supervisory Board and Other Supervisory Bodies	
Frank Gotthardt	Chairman of the Management Board Member of the Supervisory Board of Rhein Massiv Verwaltung GmbH Supervisory Board Chairman of Vita-X AG	
Dr. Erik Massmann	Chief Financial Officer Member of the Supervisory Board of Scill AG Member of the Supervisory Board of Vita-X AG	
Jan Broer	Chief Networking Officer Member of the Supervisory Board of GTI Aktiengesellschaft für Informationstechnologien Member of the Supervisory Board of Vita-X AG	
Uwe Eibich	Medical Information Systems Officer (from 1/1/2007)	
Supervisory Board:		
Prof. Dr. Klaus Steffens	(Chairman) Businessman Member of the Supervisory Board of MTU Aero Engines Holding AG Member of the Advisory Board of Tyczak Totalgaz GmbH	
Dr. Klaus Esser	(Deputy Chairman) Businessman Member of the Supervisory Board of Navigon AG Supervisory Board Chairman of TDS AG (until 31 January 2007) Supervisory Board Chairman of IXOS Software AG (Until 31 January 2007)	
Prof. Dr. Rolf Hinz	Orthodontist in private practice Member of the Supervisory Board of Stadt-Marketing Herne GmbH	
Dr. Daniel Gotthardt	Doctor	
Ursula Keller	(Employee Representative) Training and Seminar Facilitator	
	CompuGROUP Holding AG, Koblenz	
Mathias Lange	(Employee Representative) Human Resources Assistant at CompuGROUP Holding AG, Koblenz	

Total remuneration of the Management Board and the Supervisory Board members

Interest paid	31/12/2007 € 000	31/12/2006 € 000
Management Board:		
Fixed salary	929	754
Variable salary	1,075	751
Ancillary services	12	5
Special bonus for Management Board bonus in		
conjunction with the IPO	17,324	0
Total:	19,340	1,510
Supervisory Board:	260	132
	19,600	1,642

Dr. Massmann and Mr. Broer were issued 375,455 bonus shares each and Mr. Eibich was issued 211,546 bonus shares through the special bonus in the framework of the puplic offering. The issue price per share at that time was €18.00. In order to pay the income- and church tax (including solidarity surcharge) which resulted from this Dr. Massmann sold 187,727 shares, Mr. Broer sold 178,246 shares and Mr. Eibich sold 105,722 shares.

An individual breakdown of the total salaries for Management Board and Supervisory Board members is given in the remuneration report in the management report.

Existence of participation pursuant to § 160, Para. 1, No. 8 AktG.

Disclosure pursuant to § 26, Para. 1 WpHG (Securities Trade Act).

1. notification dated 3 May 2007

The Company has received the following notifications pursuant to § 21, Para. 1 WpHG:

- Frank Gotthardt, Federal Republic of Germany, informed us pursuant to § 21, Para. 1 WpHG that his voting rights in CompuGROUP Holding AG amount to 70.10 % (37,285,775 voting rights) since 3 May 2007.
- Of those, 25.12% (13,373,741 voting rights) are assigned to him pursuant to § 22 ,Para. 1, Clause No. 1, No. 2 WpHG and another 38.08% (20,241,309 voting rights) are assigned to him in accordance with § 22, Para. 2, Clause 1 WpHG. Voting rights of the following shareholders, whose voting rights in CompuGROUP Holding AG amount to 3% or more, are assigned from them to him accordingly:
- GT 1 Vermögensverwaltung GmbH, GAP Bermuda L.P., GapStar LLC, GAPCO GmbH & Co. KG, GAP Coinvestment Partner II, L.P., Dr. Daniel Gotthardt, Dr. Brigitte Gotthardt, Gotthardt Aktienverwaltung Gesellschaft [Gotthardt Share Management of Civil Law], Dr. Reinhard Koop.

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COMPUGROUP HOLDING AG

The voting rights are attributable to the following companies which he controls whose voting rights in CompuGROUP Holding AG amount to 3% or more:

GT 1 Vermögensverwaltung GmbH

- GT 1 Vermögensverwaltung GmbH, Koblenz, Federal Republic of Germany, informed us in accordance with § 21, Para. 1a WpHG, that the voting rights of GT 1 Vermögensverwaltung, GmbH in CompuGROUP Holding AG amount to 70.10% (37,285,775 voting rights) since 3 May 2007.
- Of these, GT 1 Vermögensverwaltung, GmbH is assigned 45.52% (24,201,809 voting rights) in accordance with § 22, Para. 2, Clause 1 WpHG.
- Voting rights of the following shareholders, who hold 3% or more of the voting rights in CompuGROUP Holding AG, shall be assigned to GT 1 Vermögensverwaltung GmbH.
- Frank Gotthardt, GAP Bermuda L.P., GapStar LLC, GAPCO GmbH & Co. KG, GAP Coinvestment Partner II, L.P., Dr. Daniel Gotthardt, Dr. Brigitte Gotthardt, Gotthardt Aktienverwaltung Gesellschaft des bürgerlichen Rechts, Dr. Reinhard Koop.
- Gotthardt Aktienverwaltung Gesellschaft des bürgerlichen Rechts, Eitelborn, Federal Republic of Germany, informed us in accordance with § 21, Para. 1a WpHG, that its voting rights in CompuGROUP Holding AG amount to 12.34% (6,566,809 voting rights) since 3 May 2007.
- Dr. Daniel Gotthardt, Federal Republic of Germany, informed us in accordance with § 21, Para. 1a WpHG, that his voting rights in CompuGROUP Holding AG amount to 65.97% (35,089,450 voting rights) since 3 May 2007.
- Of these, 6.27% (3,334,955 voting rights) are assigned to him in accordance with § 22, Para. 1, Clause 1, No. 2 WpHG and another 59.23% (31,505,695 voting rights) in accordance with § 22, Para. 2, Clause 1, No. 2 WpHG.
- Voting rights of the following shareholders, who hold 3% or more of the voting rights in CompuGROUP Holding AG, are assigned from them to him accordingly:
- Gotthardt Aktienverwaltung Gesellschaft des bürgerlichen Rechts, GT 1 Vermögensverwaltung GmbH, GAP Bermuda L.P., GapStar LLC, GAPCO GmbH & Co. KG, GAP Coinvestment Partner II, L.P., Dr. Brigitte Gotthardt, Frank Gotthardt
- The voting rights are attributable to the following companies which he controls whose voting rights in CompuGROUP Holding AG, amount to 3% or more:
- Gotthardt Aktienverwaltung Gesellschaft des bürgerlichen Rechts, Dr. Brigitte Gotthardt, Federal Republic of Germany, informed us, in accordance with § 21, Para. 1a WpHG, that her voting rights in CompuGROUP Holding AG amount to 65.97% (35,089,450 voting rights) since 3 May 2007.

- Of these, 6.17% (3,283,405 voting rights) are assigned to her pursuant to § 22 Para. 1, Clause 1, No. 2 WpHG and another 59.36% (31,569,645 voting rights) in accordance with § 22, Para. 2, Clause 1 WpHG.
- Voting rights in the following shareholders, who hold 3% or more of the voting rights in CompuGROUP Holding AG, are assigned from them to her accordingly:
- Gotthardt Aktienverwaltung Gesellschaft des bürgerlichen Rechts, GT 1 Vermögensverwaltung GmbH, GAP Bermuda L.P., GapStar LLC, GAPCO GmbH & Co. KG, GAP Coinvestment Partner II, L.P., Dr. Daniel Gotthardt, Frank Gotthardt
- The voting rights are attributable to the following companies which she controls whose voting rights in CompuGROUP Holding AG amount to 3% or more:
- Gotthardt Aktienverwaltung Gesellschaft des bürgerlichen Rechts
- Dr. Reinhard Koop, Federal Republic of Germany, informed us in accordance with § 21, Para. 1a WpHG, that his voting rights in CompuGROUP Holding AG amount to 29.25% (15,570,066 voting rights) since 3 May 2007.
- Of these, 25.12% (13,373,741 voting rights) are assigned to him in accordance with § 22, Para. 2, Clause 1 WpHG.
- Voting rights of the following shareholders, who hold 3% or more of the voting rights in CompuGROUP Holding AG, are assigned from them to him accordingly:
 - GT 1 Vermögensverwaltung GmbH

2. notification dated 14 May 2007

- The Company has received notifications in relation to the holdings of the following General Atlantic companies:
- 1. In accordance with § 21, Para. 1a WpHG in conjunction with § 21, Para. 1, Clause 1 WpHG, General Atlantic Partners (Bermuda) L.P., Clarendon House, Church Street, Hamilton, HM 11, Bermuda, informed us that at the time of the first admission of shares of CompuGROUP on the market on 4 May 2007, that it was legally entitled to 65.93% of the voting rights in the Company. 19.16% of the voting rights in CompuGROUP are directly held by General Atlantic Partners (Bermuda) L.P. and 46.77% are assigned to it in accordance with § 22, Para. 2 WpHG. Voting rights of the following shareholders, who hold 3% or more of the voting rights in CompuGROUP Holding AG, are assigned from them to General Atlantic Partners (Bermuda) L.P.:

Frank Gotthardt GT 1 GmbH Gotthardt Aktienverwaltung GbR

2. In accordance with § 21, Para. 1a WpHG in conjunction with § 21, Para.1, Clause 1 WpHG, GAP (Bermuda) Limited, Clarendon House, Church Street, Hamilton, HM 11, Bermuda,

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informed us that at the time of the first admission of shares in CompuGROUP on a regulated market on 4 May 2007, that it was legally entitled to 65.93% of the voting rights in the Company. General (Bermuda) Limited was assigned 19.16% of the voting rights in CompuGROUP in accordance with § 22, Para. 1, No. 1 WpHG and 46.77% in accordance with§ 22, Para. 2 WpHG.

Voting rights of the following shareholders, who hold 3% or more of the voting rights in CompuGROUP Holding AG, are assigned from them to GAP (Bermuda) Limited:

General Atlantic Partners (Bermuda) L.P.

Frank Gotthardt

GT 1 GmbH

Gotthardt Aktienverwaltung GbR

The voting rights attributable to General (Bermuda) Limited are held by the following companies which it controls, whose voting rights each amount to 3% or more:

General Atlantic Partners (Bermuda) L.P.

3. Pursuant to § 21, Para. 1a WpHG in conjunction with § 21 Para., Clause 1 WpHG, GapStar, LLC, c/o General Atlantic Service Company, LLC, 3 Pickwick Plaza, Greenwich, CT 06830, USA, informed us that at the time of the first admission of CompuGROUP shares on a regulated market on 4 May 2007, it was entitled to 65.93% of the voting rights in CompuGROUP are directly held by GapStar, LLC and 65.67% of the voting rights in the Company were assigned to it pursuant to § 22, Para. 2 WpHG.

Voting rights of the following shareholders, whose voting rights in CompuGROUP Holding AG amount to 3% or more, are assigned from them to GapStar, LLC accordingly:

General Atlantic Partners (Bermuda) L.P.

Frank Gotthardt

GT 1 GmbH

Gotthardt Aktienverwaltung GbR

4. In accordance with § 21 Para. 1a WpHG in conjunction with § 21 Para. 1.1 WpHG, General Atlantic LLC, c/o National Corporation Research, Ltd., 9 East Loockerman Square, Dover, DE 19901, USA (postal address: 3 Pickwick Plaza, Greenwich, CT 06830, USA) informed us that it was entitled to 65.93% of voting rights in CompuGROUP at the time of the first admission of CompuGROUP shares on a regulated market on 4 May 2007. General Atlantic LLC is entitled to 0.26% of voting rights in CompuGROUP in accordance with § 22 Para. 1.1 WpHG, and to 65.67% in accordance with § 22 Para. 2 WpHG.

Voting rights of the following shareholders, who hold 3% or more of the voting rights in CompuGROUP Holding AG, are assigned from them to General Atlantic LLC accordingly:

General Atlantic Partners (Bermuda) L.P.

Frank Gotthardt

GT 1 GmbH

Gotthardt Aktienverwaltung GbR

5. In accordance with § 21 Para. 1a WpHG in conjunction with § 21 Para. 1.1 WpHG, GAPCO GmbH & Co. KG, c/o General Atlantic GmbH, Königsallee 62, 40212 Düsseldorf informed us that it was entitled to 65.93% of voting rights in CompuGROUP at the time of the first admission of CompuGROUP shares on a regulated market on 4 May 2007. GAP Co GmbH & Co. KG directly holds 0.03% of voting rights in CompuGROUP, and 65.9% are allocated to it in accordance with § 22 Para. 2 WpHG.

Voting rights of the following shareholders, who hold 3% or more of the voting rights in CompuGROUP Holding AG, are assigned from them to GAPCO GmbH & Co. KG accordingly:

General Atlantic Partners (Bermuda) L.P. Frank Gotthardt GT 1 GmbH Gotthardt Aktienverwaltung GbR

6. In accordance with § 21 Para. 1a WpHG in conjunction with § 21 Para. 1.1 WpHG, GAPCO Management GmbH, c/o General Atlantic GmbH, Königsallee 62, 40212 Düsseldorf informed us that it was entitled to 65.93% of voting rights in CompuGROUP at the time of the first admission of CompuGROUP shares on a regulated market on 4 May 2007. GAPCO Management GmbH is entitled to 0.03% of voting rights in CompuGROUP in accordance with § 22 Para. 1.1 WpHG, and to 65.9% in accordance with § 22 Para. 2 WpHG.

Voting rights of the following shareholders, who hold 3% or more of the voting rights in CompuGROUP Holding AG, are assigned from them to GAPCO Management GmbH accordingly:

General Atlantic Partners (Bermuda) L.P. Frank Gotthardt GT 1 GmbH Gotthardt Aktienverwaltung GbR

7. In accordance with § 21 Para. 1a WpHG in conjunction with § 21 Para. 1.1 WpHG, GAP Coinvestments II, L.P., c/o General Atlantic Service Company, LLC, 3 Pickwick Plaza, Greenwich, CT 06830, USA, informed us that it was entitled to 65.93% of voting rights in CompuGROUP at the time of the first admission of CompuGROUP shares on a regulated market on 4 May 2007. GAP Coinvestments II, L.P. directly holds 1.11% of voting rights in CompuGROUP, and 64.82% are allocated to it in accordance with § 22 Para. 2 WpHG.

Voting rights of the following shareholders, who hold 3% or more of the voting rights in CompuGROUP Holding AG, are assigned from them to GAP Coinvestments II, L.P. accordingly:

General Atlantic Partners (Bermuda) L.P. Frank Gotthardt GT 1 GmbH Gotthardt Aktienverwaltung GbR

8. In accordance with § 21 Para. 1a WpHG in conjunction with § 21 Para. 1.1 WpHG, we were notified by H. Raymond Bingham, Peter L. Bloom, Steven A. Denning, Mark F. Dzialga,

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William E. Ford, William O. Grabe, David C. Hodgson, Rene M. Kern, Jonathan Korngold, Christopher G. Lanning, Anton J. Levy, Marc F. McMorris, Thomas J. Murphy, Matthew Nimetz, Andrew C. Pearson, David A. Rosenstein, Franchon M. Smithson, Tom C. Tinsley, Phillip P. Trahanas, Dr. Klaus Esser, Vince Feng, Abhay Havaldar and Florian Wendelstadt that they are entitled to 65.93% of voting rights in CompuGROUP at the time of the first admission of CompuGROUP shares on a regulated market on 4 May 2007. They are entitled to 1.14% of voting rights in CompuGROUP in accordance with § 22 Para. 1.1 in conjunction with § 22 Para. 2 WpHG and to 64.79% of voting rights in accordance with § 22 Para. 2 WpHG.

The address of Peter L. Bloom, Steven A. Denning, Mark F. Dzialga, William E. Ford, William O. Grabe, David C. Hodgson, Rene M. Kern, Jonathan Korngold, Christopher G. Lanning, Anton J. Levy, Marc F. McMorris, Thomas J. Murphy, Matthew Nimetz, Andrew C. Pearson, David A. Rosenstein, Franchon M. Smithson, Tom C. Tinsley and Phillip P. Trahanas is c/o General Atlantic Service Company, LLC, 3 Pickwick Plaza, Greenwich, Connecticut 06830, USA.

The address of H. Raymond Bingham is c/o General Atlantic Service Company, LLC, 228 Hamilton Avenue, 2nd Floor, Palo Alto, CA 94301, USA. The address of Dr. Klaus Esser is c/o General Atlantic GmbH, Koenigsallee 62, 40212 Düsseldorf. The address of Vince Feng is c/o General Atlantic Service Company, LLC, Suite 2007-10, 20th Floor, One International Finance Center, 1 Harbour View Street, Central, Hong Kong. The address of Abhay Havaldar is c/o General Atlantic Private Limited, 151-152, 15th Floor, Maker Chambers VI, 220 Nariman Point, Mumbai 400 021, India. The address of Florian Wendelstadt is c/o General Atlantic Limited, 83 Pall Mall, Fourth Floor, London SW1Y 5ES, Great Britain.

Voting rights of the following shareholders, who hold 3% or more of the voting rights in CompuGROUP Holding AG, are assigned from them accordingly:

General Atlantic Partners (Bermuda) L.P. Frank Gotthardt GT 1 GmbH Gotthardt Aktienverwaltung GbR

By way of clarification, it was pointed out that CompuGROUP holds altogether 532,350 treasury shares Votes from treasury shares were added to the total number of shares when determining voting rights of companies required to disclose their holdings.

3. Notice of 7 June 2007

The Company was sent the following notifications in accordance with § 21 Para. 1 WpHG:

Frank Gotthardt, Federal Republic of Germany, informed us in accordance with § 21 Para. 1a WpHG that as at 31 May 2007 his share of voting rights in CompuGROUP Holding AG fell below 50%, and on that day amounted to 44.65% (number of voting rights: 23,760,596).

Of these, 25.13% (number of voting rights: 13,373,741) are allocated in accordance with § 22 Para. 1.1.2 WpHG and another 12.62% (number of voting rights: 6,716,130), in accordance with § 22 Para. 2.1 WpHG.

Voting rights of the following shareholders, who hold 3% or more of the voting rights in CompuGROUP Holding AG, are assigned from them to him:

- GT 1 Vermögensverwaltung GmbH
- Gotthardt Aktienverwaltung GbR
- Dr. Reinhard Koop

The voting rights allocated to him are held by the following companies which he controls and each of which holds 3% or more of the voting rights in CompuGROUP Holding AG:

- GT 1 Vermögensverwaltung GmbH
- GT 1 Vermögensverwaltung GmbH, Koblenz, Federal Republic of Germany, informed us in accordance with § 21 Para. 1a WpHG that as at 31 May 2007 his share of voting rights in CompuGROUP Holding AG fell below 50%, and on that day amounted to 39.63% (number of voting rights: 21,089,871).
- Of these, GT 1 Vermögensverwaltung GmbH is allocated 15.04% (number of voting rights: 8,005,905) in accordance with § 22 Para. 2.1 WpHG.

Voting rights of the following shareholders, who hold 3% or more of the voting rights in CompuGROUP Holding AG, are assigned from them to GT 1 Vermögensverwaltung GmbH:

- Frank Gotthardt
- Gotthardt Aktienverwaltung GbR
- Dr. Reinhard Koop
- Dr. Daniel Gotthardt, Federal Republic of Germany, informed us in accordance with § 21 Para. 1a WpHG that as at 31 May 2007 his share of voting rights in CompuGROUP Holding AG fell below 50%, and on that day amounted to 40.36% (number of voting rights: 21,477,301).
- Of these, 6.27% (number of voting rights: 3,334,955) are allocated in accordance with § 22 Para. 1.1.2 WpHG and another 33.62% (number of voting rights: 17,893,546), in accordance with § 22 Para. 2.1 WpHG.

Voting rights of the following shareholders, who hold 3% or more of the voting rights in CompuGROUP Holding AG, are assigned from them to him:

- GT 1 Vermögensverwaltung GmbH
- Gotthardt Aktienverwaltung GbR
- Frank Gotthardt
- Dr. Brigitte Gotthardt, Federal Republic of Germany, informed us in accordance with § 21 Para. 1a WpHG that as at 31 May 2007 her share of voting rights in CompuGROUP Holding AG fell below 50%, and on that day amounted to 35.50% (number of voting rights: 18,893,546).

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Of these, 6.17% (number of voting rights: 3,283,405) are allocated in accordance with § 22 Para. 1.1.2 WpHG and another 28.89% (number of voting rights: 15,373,741), in accordance with § 22 Para. 2.1 WpHG.

Voting rights of the following shareholders, who hold 3% or more of the voting rights in CompuGROUP Holding AG, are assigned from them to her:

- GT 1 Vermögensverwaltung GmbH
- Frank Gotthardt
- Gotthardt Aktienverwaltung GbR

The voting rights allocated to her are held by the following companies which she controls and each of which holds 3% or more of the voting rights in CompuGROUP Holding AG:

• Gotthardt Aktienverwaltung GbR

4. Notice of 11 June 2007

With regard to holdings in the following General Atlantic companies, the Company received the following notices:

- 1. In accordance with § 21 Para. 1.1 WpHG, General Atlantic Partners (Bermuda) L.P., Clarendon House, Church Street, Hamilton, HM 11, Bermuda, informed us that as at 1 June 2007 its share of voting rights in the company fell below 50%, 30%, 25% and 20%, and on that day amounted to 16.50%. General Atlantic Partners (Bermuda) L.P. directly holds 15.38% of voting rights in CompuGROUP, and 1.12% are allocated to it in accordance with § 22 Para. 2 WpHG.
- 2. In accordance with § 21 Para. 1.1 WpHG, GAP (Bermuda) Limited, Clarendon House, Church Street, Hamilton, HM 11, Bermuda, informed us that as at 1 June 2007 its share of voting rights in the company fell below 50%, 30%, 25% and 20%, and on that day amounted to 16.50%. General (Bermuda) Limited is allocated 15.38% of voting rights in CompuGROUP in accordance with § 22 Para. 1.1 WpHG and 1.12%, in accordance with § 22 Para. 2 WpHG.

Voting rights of the following shareholders, who hold 3% or more of the voting rights in CompuGROUP Holding AG, are assigned from them to GAP (Bermuda) Limited accordingly:

General Atlantic Partners (Bermuda) L.P.

The voting rights allocated to General (Bermuda) Limited are held by the following companies which General (Bermuda) Limited controls and each of which holds 3% or more of the voting rights:

- General Atlantic Partners (Bermuda) L.P.
- 3. In accordance with § 21 Para. 1.1) WpHG, GapStar, LLC, c/o General Atlantic Service Company, LLC, 3 Pickwick Plaza, Greenwich, CT 06830, USA, informed us that as at 1 June 2007 their share of voting rights in the company fell below 50%, 30%, 25% and

20%, and on that day amounted to 16.50%. GapStar, LLC directly holds 0.21% of voting rights in CompuGROUP, and 16.29% of voting rights in CompuGROUP are allocated to it in accordance with § 22 Para. 2 WpHG.

Voting rights of the following shareholders, who hold 3% or more of the voting rights in CompuGROUP Holding AG, are assigned from them to GapStar, LLC accordingly:

- General Atlantic Partners (Bermuda) L.P.
- 4. In accordance with § 21 Para. 1.1 WpHG, General Atlantic LLC, c/o National Corporation Research, Ltd., 9 East Loockerman Square, Dover, DE 19901, USA (postal address: 3 Pickwick Plaza, Greenwich, CT 06830, USA) informed us that as at 1 June 2007 its holdings fell below the threshold of 50%, 30%, 25% and 20%, and on that day it was entitled to 16.50% of voting rights in the company. General Atlantic LLC is entitled to 0.21% of voting rights in CompuGROUP in accordance with § 22 Para. 1.1 WpHG, and to 16.29% in accordance with § 22 Para. 2 WpHG.

Voting rights of the following shareholders, who hold 3% or more of the voting rights in CompuGROUP Holding AG, are assigned from them to General Atlantic LLC accordingly:

- General Atlantic Partners (Bermuda) L.P.
- 5. In accordance with § 21 Para. 1.1 WpHG, GAPCO GmbH & Co. KG, c/o General Atlantic GmbH, Königsallee 62, 40212 Düsseldorf informed us that as at 1 June 2007 its share of voting rights in the company fell below 50%, 30%, 25% and 20%, and on that day amounted to 16.50%. GAP Co GmbH & Co. KG directly holds 0.02% of voting rights in CompuGROUP, and 16.48% are allocated to it in accordance with § 22 Para. 2 WpHG.

Voting rights of the following shareholders, who hold 3% or more of the voting rights in CompuGROUP Holding AG, are assigned from them to GAPCO GmbH & Co. KG accordingly:

- General Atlantic Partners (Bermuda) L.P.
- 6. In accordance with § 21 Para. 1.1 WpHG, GAPCO Management GmbH, c/o General Atlantic GmbH, Königsallee 62, 40212 Düsseldorf informed us that as at 1 June 2007 its share of voting rights in the company fell below 50%, 30%, 25% and 20%, and on that day amounted to 16.50%. GAPCO Management GmbH is entitled to 0.02% of voting rights in CompuGROUP in accordance with § 22 Para. 1.1 WpHG, and to 16.48% in accordance with § 22 Para. 2 WpHG.

Voting rights of the following shareholders, who hold 3% or more of the voting rights in CompuGROUP Holding AG, are assigned from them to GAPCO Management GmbH accordingly:

- General Atlantic Partners (Bermuda) L.P.
- 7. In accordance with § 21 Para. 1.1 WpHG, GAP Coinvestments II, L.P., c/o General Atlantic Service Company, LLC, 3 Pickwick Plaza, Greenwich, CT 06830, USA, informed us that as

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at 1 June 2007 their share of voting rights in the company fell below 50%, 30%, 25% and 20%, and on that day amounted to 16.50%. GAP Coinvestments II, L.P. directly holds 0.89% of voting rights in CompuGROUP, and 15.61% are allocated to it in accordance with § 22 Para. 2 WpHG.

Voting rights of the following shareholders, who hold 3% or more of the voting rights in Compu-GROUP Holding AG, are assigned from them to GAP Coinvestments II, L.P. accordingly:

- General Atlantic Partners (Bermuda) L.P.
- 8. In accordance with § 21 Para. 1.1 WpHG, H. Raymond Bingham, Peter L. Bloom, Steven A. Denning, Mark F. Dzialga, William E. Ford, William O. Grabe, David C. Hodgson, Rene M. Kern, Jonathan Korngold, Christopher G. Lanning, Anton J. Levy, Marc F. McMorris, Thomas J. Murphy, Matthew Nimetz, Andrew C. Pearson, David A. Rosenstein, Franchon M. Smithson, Tom C. Tinsley, Phillip P. Trahanas, Dr. Klaus Esser, Vince Feng, Abhay Havaldar and Florian Wendelstadt informed us that as at 1 June 2007 their share of voting rights in the company fell below 50%, 30%, 25% and 20%, and on that day amounted to 16.50%. They are entitled to 0.91% of voting rights in CompuGROUP in accordance with § 22 Para. 1.1 in conjunction with § 22 Para. 2 WpHG and to 15.59% of voting rights in accordance with § 22 Para. 2 WpHG.

The address of Peter L. Bloom, Steven A. Denning, Mark F. Dzialga, William E. Ford, William O. Grabe, David C. Hodgson, Rene M. Kern, Jonathan Korngold, Christopher G. Lanning, Anton J. Levy, Marc F. McMorris, Thomas J. Murphy, Matthew Nimetz, Andrew C. Pearson, David A. Rosenstein, Franchon M. Smithson, Tom C. Tinsley and Phillip P. Trahanas is c/o General Atlantic Service Company, LLC, 3 Pickwick Plaza, Greenwich, Connecticut 06830, USA. The address of H. Raymond Bingham is c/o General Atlantic Service Company, LLC, 228 Hamilton Avenue, 2nd Floor, Palo Alto, CA 94301, USA. The address of Dr. Klaus Esser is c/o General Atlantic GmbH, Königsallee 62, 40212 Düsseldorf. The address of Vince Feng is c/o General Atlantic Service Company, LLC, Suite 2007-10, 20th Floor, One International Finance Center, 1 Harbour View Street, Central, Hong Kong. The address of Abhay Havaldar is c/o General Atlantic Private Limited, 151-152, 15th Floor, Maker Chambers VI, 220 Nariman Point, Mumbai 400 021, India. The address of Florian Wendelstadt is c/o General Atlantic Limited, 83 Pall Mall, Fourth Floor, London SW1Y 5ES, Great Britain.

Voting rights of the following shareholders, who hold 3% or more of the voting rights in CompuGROUP Holding AG, are assigned from them accordingly:

• General Atlantic Partners (Bermuda) L.P.

By way of clarification it was pointed out that CompuGROUP holds altogether 532,350 treasury shares in the company. Votes from treasury shares were added to the total number of shares when determining voting rights of companies required to disclose their holdings.

5. Notice of 27 July 2007

The Company was sent the following notifications in accordance with § 21 Para. 1 WpHG:

- Frank Gotthardt, Federal Republic of Germany, informed us in accordance with § 21 Para. 1a WpHG that as at 3 May 2007 his share of voting rights in CompuGROUP Holding AG amounted to 70.06%, (number of voting rights: 37,285,775).
- Of these, 25.13% (number of voting rights: 13,373,741) are allocated to him in accordance with both § 22 Para. 1.1 WpHG and § 22 Para. 2.1 WpHG, and another 38.03% (number of voting rights: 20,241,309), in accordance with § 22 Para. 2.1 WpHG.

Voting rights of the following shareholders, who hold 3% or more of the voting rights in CompuGROUP Holding AG, are assigned from them to him accordingly:

- GT 1 Vermögensverwaltung GmbH
- GAP Bermuda L.P.
- Gotthardt Aktienverwaltung GbR
- Dr. Reinhard Koop

The voting rights allocated to him are held by the following companies which he controls and each of which holds 3% or more of the voting rights in CompuGROUP Holding AG:

- GT 1 Vermögensverwaltung GmbH
- GT 1 Vermögensverwaltung GmbH, Koblenz, Federal Republic of Germany, informed us in accordance with § 21 Para. 1a WpHG that as at 3 May 2007 its share of voting rights in CompuGROUP Holding AG amounted to 70.06% (number of voting rights: 37,285,775).
- Of these, GT 1 Vermögensverwaltung GmbH is allocated 45.48% (number of voting rights: 24,201,809) in accordance with § 22 Para. 2.1 WpHG.

Voting rights of the following shareholders, who hold 3% or more of the voting rights in CompuGROUP Holding AG, are assigned from them to GT 1 Vermögensverwaltung GmbH accordingly:

- Frank Gotthardt
- GAP Bermuda L.P.
- Gotthardt Aktienverwaltung GbR
- Dr. Reinhard Koop
- Dr. Daniel Gotthardt, Federal Republic of Germany, informed us in accordance with § 21 Para. 1a WpHG that as at 3 May 2007 his share of voting rights in CompuGROUP Holding AG amounted to 65.93% (number of voting rights: 35,089,450).
- Of these, 0.10% (number of voting rights: 51,550) are allocated to him in accordance with § 22 Para. 1.1.1 WpHG and another 6.17% (number of voting rights: 3,283,405), in accordance with § 22 Para. 1.1.2 WpHG. In addition, 59.20% (number of voting rights: 31,505,695) is allocated to him in accordance with § 22 Para. 2.1 WpHG.
- Voting rights of the following shareholders, who hold 3% or more of the voting rights in CompuGROUP Holding AG, are assigned to him accordingly:

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- Gotthardt Aktienverwaltung GbR
- GT 1 Vermögensverwaltung GmbH
- GAP Bermuda L.P.
- Frank Gotthardt

The voting rights allocated to him are held by the following companies which he controls and each of which holds 3% or more of the voting rights in CompuGROUP Holding AG:

- Gotthardt Aktienverwaltung GbR
- Dr. Brigitte Gotthardt, Federal Republic of Germany, informed us in accordance with § 21 Para.

 1a WpHG that as at 3 May 2007 her share of voting rights in CompuGROUP Holding AG amounted to 65.93% (number of voting rights: 35,089,450).
- Of these, 6.17% (number of voting rights: 3,283,405) are allocated in accordance with § 22 Para. 1.1.2 WpHG and another 59.32% (number of voting rights: 31,569,645), in accordance with § 22 Para. 2.1 WpHG.

Voting rights of the following shareholders, who hold 3% or more of the voting rights in CompuGROUP Holding AG, are assigned from them to her accordingly:

- Gotthardt Aktienverwaltung GbR
- GT 1 Vermögensverwaltung GmbH
- GAP Bermuda L.P.
- Frank Gotthardt

The voting rights allocated to her are held by the following companies which she controls and each of which holds 3% or more of the voting rights in CompuGROUP Holding AG:

- Gotthardt Aktienverwaltung GbR
- GT 2 Beteiligungen GmbH, Koblenz, Federal Republic of Germany, informed us in accordance with § 21 Para. 1a WpHG that as at 3 May 2007 its share of voting rights in CompuGROUP Holding AG amounted to 36.15% (number of voting rights: 19,240,791).
- Of these, GT 2 Beteiligungen GmbH is allocated 35.61% (number of voting rights: 18,951,016) in accordance with § 22 Para. 2.1 WpHG.

Voting rights of the following shareholders, who hold 3% or more of the voting rights in Compu-GROUP Holding AG, are assigned from them to GT 2 Beteiligungen GmbH accordingly:

- Frank Gotthardt
- GT 1 Vermögensverwaltung GmbH
- Dr. Reinhard Koop

Frank Gotthardt, Federal Republic of Germany, informed us in accordance with § 21 Para. 1a WpHG that as at 31 May 2007 his share of voting rights in CompuGROUP Holding AG fell below 50%, and on that day amounted to 44.65% (number of voting rights: 23,760,596).

Of these, 25.13% (number of voting rights: 13,373,741) are allocated to him in accordance with both § 22 Para. 1.1 WpHG and § 22 Para. 2.1 WpHG, and another 12.62% (number of voting rights: 6,716,130) in accordance with § 22 Para. 2.1 WpHG.

Each of the following shareholders holds 3% or more of the voting rights in CompuGROUP Holding AG, are assigned to him accordingly:

- GT 1 Vermögensverwaltung GmbH
- Gotthardt Aktienverwaltung GbR
- Dr. Reinhard Koop

The voting rights allocated to him are held by the following companies which he controls and each of which holds 3% or more of the voting rights in CompuGROUP Holding AG:

- GT 1 Vermögensverwaltung GmbH
- Dr. Daniel Gotthardt, Federal Republic of Germany, informed us in accordance with § 21 Para. 1a WpHG that as at 31 May 2007 his share of voting rights in CompuGROUP Holding AG fell below 50%, and on that day amounted to 40.36% (number of voting rights: 21,477,300).
- Of these, 0.10% (number of voting rights: 51,550) are allocated to him in accordance with § 22 Para. 1.1.1 WpHG and another 6.17% (number of voting rights: 3,283,405), in accordance with § 22 Para. 1.1.2 WpHG. In addition, 33.62% (number of voting rights: 17,893,546) are allocated to him in accordance with § 22 Para. 2.1 WpHG.

Voting rights of the following shareholders, who hold 3% or more of the voting rights in CompuGROUP Holding AG, are assigned to him accordingly:

- GT 1 Vermögensverwaltung GmbH
- Gotthardt Aktienverwaltung GbR
- Frank Gotthardt

The voting rights allocated to him are held by the following companies which he controls and each of which holds 3% or more of the voting rights in CompuGROUP Holding AG:

• Gotthardt Aktienverwaltung GbR

These notifications, however, represent exclusively changes in the mutual allocation criteria of the shareholders listed above in accordance with § 22 WpHG. As far as the company knows, none of the shareholders listed above has sold any shares in the company after the IPO on 3 May 2007.

6. Notification dated 22 October 2007

The Company was sent the following voting right notifications in accordance with § 21 Para. 1 WpHG:

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Lone Pine Capital LLC, 2 Greenwich Plaza – 2nd Floor, Greenwich, CT 06830, USA (Investment Manager), informed us in accordance with § 22 Para. 1 WpHG that as at 8 October 2007 its share of voting rights in CompuGROUP Holding AG fell below the 3% threshold, and on the cut-off date amounted to 3.01% (number of voting rights: 1,600,709). These voting rights are allocated to it in accordance with § 22 Para. 1.1.6 WpHG.

Stephen F. Mandel Jr., 2 Greenwich Plaza – 2nd Floor, Greenwich, CT 06830, USA, Managing Member of the Investment Manager named above, informed us in accordance with § 21 Para. 1 WpHG that at the same time his voting rights in CompuGROUP Holding AG exceeded the 3% threshold. As a result, he holds a total of 3.01% (number of voting rights: 1,600,709) of voting rights in CompuGROUP Holding AG.

These voting rights are allocated to him in accordance with § 22 Para. 1.1.6 in conjunction with Para. 1.2 and 1.3 WpHG.

Holdings in accordance with § 285 No. 11 HGB

Holdings in accordance with § 285 No. 11 HGB are listed in note 2 of the Notes to the Financial Statements. The figures for domestic companies are based on annual financial reports prepared in accordance with state laws; the figures of foreign companies rely on the financial statements prepared in accordance with IAS/IFRS. Data on equity and earnings for the year are stated at their full amount regardless of equity interest. Equity in foreign currency was converted at the closing rate, and the results for the year were converted at the yearly average rate.

Statement of compliance with the German Corporate Governance Codex

The statement of compliance stipulated by § 161 AktG was issued by the Management Board and the Supervisory Board and made accessible to shareholders via the company's Website (www. compugroup.de). The next step is implementing the recommendations of the regulatory committee on the German Corporate Governance Codex with only a few exceptions.

Auditor's fees as per § 285 No. 17 of the HGB

	€
Audit	246,168
Other certification and consulting fees	574,129
Other services	714,000
	1,534,297

Other services include the insurance premium related to the increase of the insurance coverage due to the IPO. Other fees for certification and consulting include fees related to the IPO.

Contingent liabilities and other financial obligations

Contingent liabilities under guarantees

- In accordance with the Joint Venture Agreement dated 15 November 2004 between United Pascal Holdings B.V. and CompuGROUP Beteiligungsgesellschaft to establish UCF Holding S.a.r.l., Luxemburg, CompuGROUP Holding AG as the parent company guarantees the financial feasibility of the CompuGROUP investee. United Pascal Holdings B.V. is entitled to offer its minority interest for sale. As at 31 December 2007, the cost of mandatory acquisition would be some €4.7m if the right to offer were asserted.
- The company assumed a guarantee for Tepe Teknolojik Servisler A.S. in the amount of YTL 210,000 (€123,000) with Meteksan Sistem ve Bilgisayar Teknolojileri A.S. as the beneficiary.
- In the course of its business activities, Tepe International Sağlık Bilgi Sistemleri A.Ş. submits domestic and foreign tenders, and as a rule, must make security deposits to make tenders. To hedge the company's security deposits, CompuGROUP Holding AG granted a €4 million guarantee to Fortis Bank (Turkey).
- For the existing leases of the affiliated company MediStar Praxiscomputer GmbH with Friedrich und Jan Christoffer GbR and Geschwister Christoffer GbR real estate companies, the Company granted a €4.170m guarantee to the lessor.
- A security for the defendant to appear in court (protection of small shareholders) was provided to Volksbank Rhein-Lahn in the amount of €6,000 and a security for the defendant to appear in court for CompuGROUP Software GmbH (formerly: Sysmed Entwicklung medizinischer Software GmbH) in the amount of €101,000.
- A further security for the defendant to appear in court for the case mentioned above exists at Sparkasse Koblenz in the amount of €168,726.32 (originally DM 330,000). Since the company won the suit underlying the guarantee, a payment will be made in 2008.
- A credit guarantee was provided to SEB AG for various French subsidiaries in the amount of €39,000. In addition, the shares of subsidiaries were transferred to SEB AG as collateral for the planned takeover of a British corporate group. These include the shares of MediStar Praxiscomputer GmbH, TurboMed EDV GmbH, CompuGROUP CEE GmbH and Systema HIS Human Information Systems Gesellschaft m.b.H.In addition, guarantees were provided for various subsidiaries. SEB AG released the company from the securities and guarantees provided on 9 January 2008.
- A guarantee was provided to Commerzbank in the amount of BGN 15,000 (value as at 31 December 2007: €8,000). The guarantee serves as collateral for a security deposit with the Ministry of Health in Bulgaria to respond to an invitation to tender in the health care business.
- In addition, the company has provided a prepayment guarantee in the amount of €507,000 for advance payment by a corporate client of medi cine medienproduktions gmbh (78.9% interest).

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Contingent liabilities under indemnity agreements

The Company has provided a letter of responsibility to Sparkasse GmbH for LGS Leasinggesellschaft in connection with leases signed with the affiliated company ISPro GmbH. Future lease payments amount to €71,000 a month and a final payment of €13,000 at the end of the lease period.

The company provides joint liability to VR-Leasing AG for all debts arising from lease and service contracts with affiliated companies. Liabilities from these contracts amount to €1,010,000 on the balance sheet reporting date.

An interest and principal repayment guarantee was provided to Landesbank Saar Girozentrale for the affiliated company IMMO GbR for financing received. CompuGROUP Holding AG undertakes to ensure that the borrower makes timely payment of all current and future interest and principal repayment obligations and takes responsibility for such payments in its place if necessary.

The guarantee concerns two loans with the following conditions:

Original loan amount	Interest rate	Annual payment per month	Interest fixed until	
€	%	€		
1,121,000.00	5.50	12,144.17	30/12/2012	term
1,879,000.00	5.50	0.00	30/12/2012	
3,000,000.00		12,144.17		

Only interest is paid on the €1,879,000 loan until 30 December 2012.

The loans were valued at €2,508,000 as at 31 December 2007.

When the interest rate is adjusted on 30 December 2012, a repayment agreement must be arranged stipulating that the loan must be repaid within 10 years, that is, so the total term would not exceed 20 years.

Other financial obligations

Other financial obligations in accordance with § 285 No. 3 of the HGB are comprised of the following components:

	Obligations in 2008	Obligations in 2009 and later	Total Obligations
	€ 000	€ 000	€ 000
Rental agreements	1,000	2,820	3,820
(with affiliated companies)	(355)	(627)	(1,082)
Car leasing	81	54	135
Leasing office equipment	18	8	26
	1,099	2,882	3,981

Assurance by the company's legal representatives in accordance with § 264 Para. 2.3 HGB

We assure to the best of our knowledge that in accordance with the principles of accounting, the annual financial statement provides an accurate view of the company's net worth, financial position and results of operations; that the management report presents the course of business, including the results of operations and the company's position, such as to provide an accurate view; and that the major opportunities and risks relating to the company's anticipated development are described.

Registered office

CompuGROUP Holding AG is headquartered in Koblenz. Address: Maria Trost 21, 56070 Koblenz

Koblenz, 29 February 2008 CompuGROUP Holding AG

Management Board

Frank Gotthardt

Dr. Erik Massmann

Jan Broer

Uwe Eibich

Balance sheet Income Statement

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COMPUGROUP HOLDING AG

Change in fixed assets in 2007

		Cumulative Purchase Costs			
	Balance 1/1/2007	(Z) Additions (A) Disposals (U) Transfers	Balance 31/12/2007		
	€	€	€		
I. Intangible Fixed Assets					
1. Software	488,652.65	(Z) 86,747.90 (A) 360,038.85 (U) 220,000.00	435,361.70		
2. Payments on account	220,000.00	(U) -220,000.00	0.00		
	708,652.65	(Z) 86,747.90 (A) 360,038.85 (U) 0.00	435,361.70		
II. Tangible Fixed Assets					
Other assets, plant and equipment	2,705,422.63	(Z) 263,828.66 (A) 1,039,491.43	1,929,759.86		
III. Financial Assets					
1. Shares in affiliated companies	141,021,512.33	(Z) 22,848,014.48 (A) 3,346,974.17	160,522,552.64		
2. Loans to affiliated companies	0.00	(Z) 41,701,658.81	41,701,658.81		
3. Equity investments	494,135.17	0.00	494,135.17		
	141,515,647.50	(Z) 64,549,673.29 (A) 3,346,974.17	202,718,346.62		
	144,929,722.78	64,900,249.85 (A) 4,746,504.45	205,083,468.18		

Cumulative Depreciation						
Balance 1/1/2007	(A) I	Additions Disposals Transfers	Balance 31/12/2007			
€		€	€			
397,035.48	(Z) (A)	85,578.91 359,998.69	122,615.70			
0.00		0.00	0.00			
397,035.48	(Z) (A)	85,578.91 359,998.69	122,615.70			
1,269,369.67	(Z) (A)	145,366.66 1,039,413.02	375,323.31			
1,606,875.01	(Z) (A)	0.00 128,432.54	1,478,442.47			
0.00		0.00	0.00			
0.00		0.00	0.00			
1,606,875.01	(Z) (A)	0.00 128,432.54	1,478,442.47			
3,273,280.16	(Z) (A)	230,945.57 1,527,844.25	1,976,381.48			

Book Value				
Balance 31/12/2007 €	Balance 31/12/2006			
312,746.00	91,617.17			
0.00	220,000.00			
312,746.00	311,617.17			
1,554,436.55	1,436,052.96			
159,044,110.17	139,414,637.32			
41,701,658.81	0.00			
494,135.17	494,135.17			
201,239,904.15	139,908,772.49			
203,107,086.70	141,656,442.62			

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COMPUGROUP HOLDING AG

Holdings as at 31 December 2007

Coi	npany name	Registered office	Share of capital/voting rights in %	Equity	Net profit/loss
Dir	ect and indirect subsidiaries				
1	CompuMED Praxiscomputer Verwaltungs-GmbH	Koblenz	100.0	52,901.36	3,562.56
2	CompuMED Praxiscomputer GmbH & Co. KG	Koblenz	100.0	5,557,904.32	1,002,858.08
3	CompuDENT Praxiscomputer Verwaltungs-GmbH	Koblenz	100.0	64,374.18	4,942.14
4	CompuDENT Praxiscomputer GmbH & Co. KG	Koblenz	100.0	1,005,845.65	778,903.60
5	ChreMaSoft Datensysteme Verwaltungs-GmbH	Koblenz	100.0	13,988.31	1,254.90
6	ChreMaSoft Datensysteme GmbH & Co. KG	Koblenz	100.0	1,922,246.18	701,373.89
7	ALBIS Product Verwaltungs-GmbH	Koblenz	100.0	46,359.28	2,850.09
8	ALBIS Ärzteservice Product GmbH & Co. KG	Koblenz	100.0	25,564.59	2,820,278.77
9	Data-Vital Verwaltungs-GmbH	Koblenz	100.0	39,344.80	2,254.16
10	Data-Vital GmbH & Co. KG	Koblenz	100.0	2,051,640.48	836,208.50
11	CompuGROUP Beteiligungsgesellschaft mbH	Koblenz	100.0	21,348,635.88	-597,635.38
12	Intermedix Deutschland GmbH 1)	Koblenz	100.0	2,719,604.22	1,539,961.73
13	CompuGROUP Software GmbH 2)	Koblenz	100.0	9,077,495.58	7,042,095.72
14	Z1 Software GmbH	Koblenz	100.0	1,825,876.15	1,533,326.98
15	MediStar Praxiscomputer GmbH	Hannover	100.0	5,244,149.36	11,506,480.04
16	Telemed Online Service für Heilberufe GmbH	Koblenz	100.0	2,322,125.81	755,962.72
17	CompuGROUP Services GmbH	Koblenz	100.0	1,909,296.57	593,530.50
18	vita-X AG	Koblenz	100.0	-3,568,904.88	-3,463,319.55
19	Systema Deutschland GmbH	Koblenz	100.0	320,542.51	-2,043,689.54
20	DIALOG MIS spol. s.r.o.	Prag	100.0	536,701.65	520,445.17
21	Le Reseau Sante Sociale SAS	Rueil-Malmaison	100.0	-1,293,260.82	-274,031.18
22	Medisoft International spol, s.r.o.	Prag	100.0	114,977.48	162,712.51
23	AXILOG S.A. 5)	Montpellier	100.0	958,860.36	827,964.77
24	Intermedix France S.a.r.l. 5)	Rueil-Malmaison	100.0	-574,710.38	-148,173.49
25	Med-IT AG ³⁾	Rapperswill	100.0	-35,070.41	-7,394.51
26	AxiService Nice S.a.r.l. 5)	Nice	100.0	-212,963.82	-11,231.92
27	lfAp Service Institut für Ärzte und Apotheker GmbH	Martinsried	100.0	7,929,673.96	5,055,329.87
28	ISPro GmbH Gesellschaft für Realisierung und Beratung von Kommunikations- und Informationstechnologien	Hattingen	100.0	-1,163,810.19	-543,228.54
29	CompuGROUP CEE GmbH	Wien	100.0	-1,587,138.38	-1,231,320.96
30	Systema HIS Human Information Systems Gesellschaft mbH ⁶⁾	Steyr	100.0	7,847,006.20	3,650,872.35

Co	mpany name	Registered office	Share of capital/voting rights in %	Equity	Net profit/loss
31	Novacom Gesellschaft für EDV-Anwendungen im Gesundheitswesen mbH ⁹⁾	Kaarst	100.0	659,299.91	447,234.94
32	CCHC Competence Center Healthcare GmbH ⁹⁾	Steyr	100.0	508.63	-51,969.17
33	AESCU DATA Gesellschaft für Datenverarbeitung mbH ¹⁰⁾	Steyr	100.0	121,401.15	10,345.27
34	Technosante S.A.S. 5)	Rueil-Malmaison	100.0	-23,846.79	-19,872.17
35	Intermedix Tschechien 13)	Prag	100.0	25,695.06	19,767.67
36	CompuGROUP vita X s.r.o. 13)	Prag	100.0	-3,568,904.88	-3,463,319.55
37	CompuGROUP CZ & SK s.r.o. 3)	Prag	100.0	173,112.64	138,248.60
38	SMS Slovakia spol. s.r.o. 14)	Bratislava	100.0	242,601.16	195,028.65
39	Unicomputer Software GmbH 3)	Koblenz	100.0	39,459.23	-58,853.70
40	GiV Gesellschaft für angewandte integrierte Versorgungsformen GmbH	Koblenz	100.0	-1,101,574.50	-1,061,611.54
41	mediTREND GmbH ³⁾	Koblenz	100.0	18,234.62	-3,660.75
42	Intermedix Italien 3)	Mailand	100.0	-16,107.90	-26,107.90
43	MedicalNet SAS 5)	Montpellier	100.0	1,420,575.07	-579,424.93
44	medXpert GmbH ⁶⁾	Wien	100.0	-455,798.25	-8,254.60
45	Intermedix Spanien s.r.l.	Madrid	100.0	3,100.00	not yet trading
46	TurboMed EDV GmbH	Molfsee	99.0	1,438,729.02	5,407,745.18
47	Immo1 GbR ³⁾	Koblenz	94.0	-4,514.85	113.80
48	Immo 2 Gbr ³⁾	Koblenz	94.0	49,614.75	-385.25
49	IfAp Institut für Unternehmensberatung und Wirtschaftsdienste im Gesundheitswesen GmbH ⁷⁾	Neu-Golm	93.0	-385,623.43	84,718.08
50	Tipdata Bilgi Islem Sistemleri Danismanlik ve Ticaret Limited Sirketi ³⁾	Istanbul	90.0	726,360.13	-74,595.61
51	Tepe International Sağlık Bilgi Sistemleri A.Ş. ⁵⁾	Ankara	89.0	25,250,893.49	-1,206,389.98
52	UHC Sp.z.o.o.	Lublin	86.7	1,111,492.69	348,852.72
53	AxiService Grenoble S.a.r.l. 5)	Grenoble	80.0	-69,257.66	3,603.60
54	GTI Aktiengesellschaft für Informationstechnologien ³⁾	Koblenz	80.0	-91,295.36	473,945.08
55	SMS spol. s.r.o. ⁸⁾	Brno	80.0	1,638,728.65	49,489.91
56	medi cine medienproduktions GmbH ³⁾	Mainz	78.9	393,179.57	23,419.59
57	Gruber Ärztliche Datenverarbeitung GmbH ⁶⁾	Enns	75.0	203,252.97	26,107.25
58	UCF Holding S.a.r.l. ³⁾	Luxemburg	74.9	12,374,776.26	-54,778.55
59	Technosante S.A.S. 5)	Lyon	60.0	-11,744.50	4,685.50

COMPUGROUP HOLDING AG

Company name	Registered office	Share of capital/voting rights in %	Equity	Net profit/loss
60 AESCU DATA Gesellschaft für Datenverarbeitung mbH ⁹⁾	Winsen	100.0	1,336,102.11	619,720.08
Other Equity Stakes				
61 D3P SAS ¹²⁾	Rueil-Malmaison	50.0	87,939.53	74,578.27
62 HCS Health Communication Service Gesellschaft m.b.H. ⁹⁾	Altlengbach	50.0	61,302.54	-48,697.47
63 Medigest Consultores, S.L.	Madrid	49.0	88,283.55	18,573.99
64 Fimesan S.p.A. 3)	Molfetta	33.3	4 422 521 70	70 101 02
65 DATASUN S.r.l. 11)	Molfetta	90.0	4,433,521.70	-78,191.83
66 Medatis Medizinische Daten- und Informationssoftware AG ⁴⁾	Neu-Ulm	33.0	No information	
67 Technosante Nord-Picardie SAS ²¹⁾	Lille	20.0	59,663.00	19,663.00
68 Technosante Toulouse S.A.S. 5)	Toulouse	10.0	No information	
69 ic med EDV-Systemlösungen für die Medizin GmbH ³⁾	Halle	10.0	No information	
70 AES Ärzteservice Schwaben GmbH ³⁾	Bad Wimpfen	10.0	No information	
71 Erudis s.r.o. 8)	Bratislava	10.0	No information	
72 BFL Gesellschaft des Bürofachhandels mbH & Co. KG ³⁾	Eschborn	< 1.0	No information	

- 1) Subsidiary of CompuDENT Praxiscomputer GmbH & Co KG
- 2) Subsidiary of CompuMED Praxiscomputer GmbH & Co KG
- 3) Subsidiary of CompuGROUP Beteiligungs GmbH
- 4) Subsidiary of TurboMed EDV GmbH

- Subsidiary of UCF Holding S.a.r.I
 Subsidiary of CompuGROUP CEE GmbH
 Subsidiary of IfAp Service Institut für Ärzte und Apotheker GmbH
- 8) Subsidiary of CompuGROUP CZ & SK s.r.o.
- 9) Subsidiary of Systema HIS Human Information Systems Gesellschaft m.b.H.
- Subsidiary of AESCU DATA Gesellschaft für Datenverarbeitung mbH
 Subsidiary of Fimesan S.p.A.
 Subsidiary of Le Reseau Sante Sociale SAS

- 13) Subsidiary of vita-X AG und Diaolog MIS spol. s.r.o.
- 14) Subsidiary of SMS spol. s.r.o.
- With 1% subsidiary of CompuGROUP Beteiligungs GmbH
 Subsidiary of UCF Holding S.a.r.l. with a deviating fiscal year as of 30/06

Management Report for Financial Year 2007

CompuGROUP Holding AG along with its direct and indirect participating interests in Germany and abroad is a leading service provider in the area of software and networking solutions for healthcare markets in Germany, Europe and the Middle East. The operating activities of CompuGROUP are carried out by the individual Group companies.

The core business includes the development, sale and service in the areas of

- Medical information systems for medical and dental practices
- Hospital information systems
- Communications services
- Workflow solutions and services for physicians, networks of physicians, medical care centres, hospitals, medical insurance associations and pharmaceutical companies
- Decision support systems for support of medical therapies
- Web-based electronic patient records.

On the basis of approximately 20 years of experience in the eHealth market, this internationally oriented Group has grown to be one of the leading suppliers of IT solutions in the healthcare system. The products offered support efficient communication, cost-effective organisation, secure documentation and quality assurance in the healthcare system.

Central to every healthcare system are the patients and the treating physicians and dentists. For these groups, CompuGROUP is represented in nine countries of Europe, specifically Germany, France, Italy, Austria, Poland, Slovakia, Spain, the Czech Republic and Turkey with up to a 50% market share. Thus CompuGROUP plays a leading role in the development of European eHealth solutions. Across Europe, CompuGROUP, according to in-house surveys, has around 190,000 customers with service contracts and thus reaches around 290,000 physicians, dentists, clinics and other healthcare providers.

General economic conditions

General economic situation

The general economic situation in Germany in fiscal year 2007 can be classified as extremely positive. Thus real gross domestic product of the Federal Republic of Germany in the year 2007 increased by 2.5% [Source: Destatis (Deutsches Statistisches Bundesamt)] over that of the preceding year. In particular, foreign trade was able to continue its very dynamic development thus providing significant momentum to economic growth.

In the course of the year 2007, due to the good economic situation, there was a clear easing of the labour market, with software companies also being able to report an increase in employment figures. The software industry profited throughout from the booming world economy, with the result that there was a fundamental increase in sales in this industry.

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Equally, increasing investment expenditures by companies were evidence of the economically positive year 2007. In this regard, a study of IDC Central Europe GmbH, a supplier of IT market observations, on the topic of "EU Enlargement" can be cited. The subject matter of the study is the development of the IT markets, for the period 2004–2013, in the ten new EU member states.

As a result of the study, IDC determined that the states joining the EU in the year 2004 will also be among the most attractive IT markets in the future. IDC calculates the total additional amount available for IT infrastructure, software and services, as a result of entry into the EU, at a total of \$27.6 billion.

Industry situation

The entire market for health care software solutions and IT services in Europe, according to market estimates, currently has a total expenditure volume of around €6.9 billion p.a. The average annual growth rate is approximately 9%. The Company anticipates that by the year 2010 the total market volume will grow to around €8.6 billion p.a.

In comparison with other European markets, there is a high degree of penetration in the market in Germany among doctors and dentists in private practice. As a result of new practices and conversions of EDP systems, however, there continues to be a constant basic demand for medical information systems and linkable software solutions. In addition, many of the changes in the regulatory environment, in particular in the area of the billing system, make continuing expansion and updating of the software solutions necessary within the framework of existing customer relations.

An increasing interest in eHealth can be seen in the medical insurance sector. According to the results of the study "Monitoring eHealth Deutschland 2007" of the public relations and market research company Wegweiser GmbH, Berlin, and of the Bundesverband der deutschen Industrie (BDI), Berlin, 61% of surveyed medical insurance companies in Germany are already pursuing an eHealth strategy. Compared to the prior year, this was a 20% increase. More than 50% of those surveyed indicated a timeframe of one to four years for implementing the strategies.

In the clinic market, the estimated total volume of the European market in fiscal year 2007 was approximately €3.6 billion. According to relevant studies, a total market volume of €4.9 billion is expected by 2010 (Source: Frost & Sullivan 2004; converted from U.S. dollars into euros). Taking the rising market volumes in the clinic sector as an example, the study "Monitoring eHealth Deutschland 2007 (Monitoring eHealth Germany 2007)" provides enlightening insights. Thus the current IT budget, which according to the clinics surveyed makes up around 2% of the total annual budget, will increase significantly in the coming years.

Course of business for fiscal year 2007

- In January 2007, our Austrian subsidiary systema Human Information Systems GmbH, as one of two parties of a consortium, was awarded a major contract of the Niederösterreichische Landeskliniken (Lower Austrian State Clinics). The Niederösterreichische Landeskliniken comprise 27 hospitals in 24 locations. In total, the institutions have around 7,000 beds and approx. 14,000 employees. The contract covers installation of a SAP-based solution for all necessary management functions, for purchasing and logistics as well as for patient management and patient billing.
- In May 2007, CompuGROUP Holding AG achieved its planned IPO with the admission to the official market of the Frankfurt Stock Exchange (Prime Standard). Since 4 May 2007, the shares have been traded in the official market of the securities exchange (Prime Standard). The costs incurred in connection with the IPO, taking into consideration expenditures from the year 2006, came to a total of approximately €7.75 million. The net issue proceeds were around €125 million. The securities exchange listing provides for the Company new opportunities and possibilities for further expansion of its market position and for opening up of new markets.
- On the occasion of the public listing, the capital stock of the Company was increased by €7,340,600,from €45,878,750 to a total now of €53,219,350, via a capital increase, decided on by the managing board and approved by the supervisory board, through cash contributions from authorised capital with subscription rights. The capital stock is subdivided into 53,219,350 bearer shares with the security identification code 543730 (ISIN: DE0005437305).
- Our subsidiary UHC Sp.z o.o., Lublin, Poland, was able to report a further success in the form of a major contract. UHC, a supplier of hospital information systems, was awarded a contract for the complete IT equipping of the of the University of Warsaw Clinical Centre's Paediatric Department. Soon approximately 500 users in the 560-bed hospital will work with the innovative software solution by UHC.
- Also in May 2007, a new company was formed in France. Medical Net SAS, with registered offices in Montpellier, in the future will offer the medical information systems software solution of the same name, based on the latest Internet technology (ASP technology), on the French market. The special feature of this software solution is that it is called up on the customer's Internet browser, and thus no installation is required on the physician's PC. Physicians thus can access their system at any time and at any location.
- On 20 July 2007, CompuGROUP issued a recommended cash offer for taking over the entire share capital of iSOFT Group plc. The value of the cash offer was 66 pence per iSOFT share and thus corresponded to a total amount of around GBP 160 million (approx. €238 million). In August CompuGROUP, following an offer adaptation, informed IBA Health that the Company will not increase the cash offer published by it on 20 July 2007. The Company reserved the right to increase the offer made in the event a third party (i.e., no IBA Health

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Limited nor an affiliated company) should announce an offer for iSOFT. The expenditures connected with the intended takeover are approximately €3.2 million. These expenditures comprise primarily the use of services of external legal advisors as well as termination and non-utilisation of borrowed funds in connection with the takeover offer.

- In September, another equity interest was acquired in Slovakia. The Company is initially taking 10% of the Slovak eHealth provider ERUDIS s.r.o., but secured for itself an option for the acquisition of an additional 70% which may be exercised as of 2009.
- In addition, CompuGROUP acquired in September an equity interest in the amount of 90% in Tipdata, with registered office in Ankara, Turkey. Tipdata is a leading supplier of hospital information systems for private clinics. In the future, CompuGROUP would like to serve the growth market for doctors in private practice that is forming in Turkey through Tipdata. The acquisition costs of this equity interest were 400,000 Turkish lira.
- Another major contract in Austria was obtained by systema Human Information Systems GmbH, Steyr. It will equip eleven hospitals of Oberösterreichische Gesundheits- und Spitals-AG, the largest hospital owner in Upper Austria, with new software solutions that will increase efficiency. The total contract volume comes to more than seven million euros. With a market share of around 44%, Oberösterreichische Gesundheits- und Spitals-AG is the market leader among hospital owners of Upper Austria. In addition to eight general hospitals in a total of 14 locations, it operates two psychiatric clinics as well as a women's and children's hospital with a total of approx. 9,000 employees.
- In October CompuGROUP was able to report another success of one of its innovative products in the area of healthcare system cost bearers: Techniker Krankenkasse extended the contract for using the Verax List, a software solution for combating insurance card fraud, through 31 December 2008.
- In addition, an important pilot project was begun in North Rhine-Westphalia for increasing efficiency on the basis of electronic communications in the healthcare system. In it, doctors in private practice are testing the sending of electronic discharge letters including associated signature with the health professional card (Heilberufsausweis). Our project partners are the Kassenärztliche Vereinigung Nordrhein und Westfalen-Lippe as well as the corresponding state medical associations.
- With the change of the name of Systema Holding GmbH into CompuGROUP ECC GmbH, Vienna, an extensive servicing of the eHealth growth markets in Austria, Switzerland, Hungary, Romania, Bulgaria, Serbia, Montenegro, Bosnia, Croatia, Slovenia, and Greece is to be facilitated. As an eHealth complete supplier with innovative software products, the new company addresses all participants in the healthcare system.
- Together with AOK Hessen, the project "AOK aktiv + vital" was introduced in selected regions of Hesse with a completely new supply approach, in which innovative integrated modes of supply are processed through the medical information systems. For this purpose, Compu-

GROUP organised the Gesellschaft für angewandte integrierte Versorgungsformen mbH (GiV) with the key functions of path creation, decision support, disease management, case management, benchmarking, and financial clearing. The Company believes that, in addition to technical implementation, the substantive integration of current medical guidelines suitable for everyday use, the definition of clear target parameters, the close involvement of the patients, and a compensation model based on health successes for participating physicians are trend setting. Beginning with the major widespread disease type 2 diabetes mellitus, indication-based treatment paths exclusively developed by experts will be made available.

In October 2007, Dresdner Bank and CompuGROUP announced a partnership within the scope of orienting the bank towards physicians as the target group. The Dresdner Bank will use the medical information systems of CompuGROUP in Germany as a communications platform. Through this partnership, physicians will receive regular information on the topic of finances. In addition, comprehensive information concerning Dresdner Bank's financial services that are specifically tailored to this target group will also be made available to physicians. Moreover, the joint development of a new range of financial services between the cooperating partners is intended.

The position in the Austrian healthcare market was further developed. Through the acquisition of a 60% interest in the medical information system producer Gruber Ärztliche Datenverarbeitung GmbH, Enns, (with an option for the remaining 40%) and the acquisition of the medical information systems supplier ACP IT Solutions GmbH, Innsbruck, the Company is significantly building up its position in this segment. With the takeovers, CompuGROUP together with the hospital information systems producers systema Human Information Systems GmbH and HCS Human Communication Service GmbH is represented four times in Austria now. In the meantime, ACP IT Solutions GmbH was renamed medXpert GmbH. The acquisition costs of the equity interest in Gruber ÄDV GmbH were €4.2 million plus a variable purchase price component. Acquisition costs for the acquisition of ACP IT Solutions GmbH (medXpert GmbH) were a total of €1.75 million. Of these, €1.3 million were for separately purchased trademark rights.

The trade show Medica in October 2007 was also a success for the product and services presentation of CompuGROUP. Overall, our German medical information producers were able to win more than 300 new customers in Düsseldorf at the largest health care trade show in the world. In addition, numerous customers used the opportunity to inform themselves about new versions or expansions of their medical information systems as well as the latest solutions in the area of networking.

In the Czech Republic, systema Human Information Systems GmbH at year end, after only a few months in the regional hospital of Jicin, introduced a complete mpa (medical process assist) solution system. With a capacity of 541 beds, the clinic serves a catchment area of around 100,000 people.

Results of operation, financial situation and net assets as well as the condition of the Group

Results of operation

	2007 million €	2006 million €	2005 million €
Net income from equity interests (revenues from equity interests and profit transfers less expenditures from assumption of losses and write-downs on financial investments)	42.73	18.06	20.65
Net interest income or expense (other interest and similar revenues less interest and similar expenses)	-4.87	-4.57	-3.10
Operating results (other items of the income statement)	-8.06	-4.08	-5.54
Results of ordinary business activity	29.80	9.41	12.01
Net income (loss) from extraordinary activities	-25.07	0.00	0.00
Taxes	0.83	-3.57	-3.34
Net income	5.56	5.84	8.67

The earnings of the Company, as a holding company, depend essentially on the development of its operating subsidiaries. The increase in income from participations is attributable to the increased revenues from equity interests (2007: €27.28 million; prior year: €5.56 million) and higher revenues from profit transfer agreements (2007: €18.09 million; prior year: €12.51 million). Acting in the other direction are the expenses resulting from the assumption of losses which must be recognised for the first time (2007: €2.64 million, of which systema Deutschland GmbH €2.04 million; of which CompuGROUP Beteiligungs-GmbH €0.60 million).

The higher income from participating interests are based on profit distributions of Turbomed EDV GmbH (€12.48 million) as well as on the net income to be recognised for the first time from the profit transfer agreement between CompuMED Praxiscomputer GmbH & Co. KG and CompuGROUP Software GmbH. The Company therefore was able to include as income in fiscal year 2007 €8.04 million (prior year: €0.74 million) since the results of the partnership are immediately recognised as a profit share for CompuGROUP Holding AG.

The increase in income from profit transfer agreements essentially results from entry in the above contract which is recognised for the first time as well as from the ifap Service-Institut für Ärzte und Apotheker GmbH (€5.05 million).

The following counteracting items are reflected in net interest income (expense): interest and similar expenses increased over the prior year by €2.86 million, essentially due to commitment fees/compensation payments of loan contracts. In the other direction, other interest

and similar income increased by €2.56 million as a result of the liquidity surpluses achieved in line with the IPO.

Reflected in the reduction in net operating income are the increased sales revenues on the one hand (performances for subsidiaries) which however are more than compensated for by significantly lower other operating revenues (in the prior year as a result of significant effects, not related to the accounting period, resulting from reinstatements of original book values of interests in subsidiaries as well as releases of value adjustments on current assets made in fiscal year 2005). Likewise higher personnel expenses (increase in number of employees) as well as higher other professional fees in line with the attempted takeover of the iSOFT Group) had a negative effect on net income.

Contained in the negative results from extraordinary activities are first the expenses resulting from the IPO (€7.75 million – in particular compensation for the banks assisting with the IPO and fees for advisory services used) and secondly, the expenses resulting from the stock-based special bonus program of participating members of the managing board (€17.32 million). The capital contribution in the amount of €9 million, made for this by the old shareholders, flowed into capital reserves and as a result did not have any effect on earnings.

Financial condition

Control of monetary transactions essentially takes place through central accounting located in Koblenz by means of a cash management system.

In the operating business, the capital needs of the Group companies are adequately covered through cash flows from operating activity.

In the reporting period, the cash contributions realised within the scope of capital market transactions at the beginning of May 2007 were largely used to repay loans taken in the past. The remaining excess of liquid funds was put to work through short-term, non-speculative investments of various Group companies. It was possible to finance acquisitions of companies in the reporting period through equity capital.

Net assets

Financial investments with a share of 81% (prior year: approx. 84%) corresponding to the holding function of the Company represent, by a clear margin, the largest item in the assets of the balance sheet. The increase in shares in affiliated companies of € 19.63 million is the result of, among other things, the Tepe International Health Information Systems A.S. "asset deal" (€ 22.34 million).

The loans to affiliated companies reflected on the balance sheet as of 31 December 2007 (€41.70 million) stem from the provision of liquid funds to a German subsidiary which were passed on to an Austrian subsidiary to repay a loan resulting from the systema acquisition in the prior year.

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The equity ratio increased in comparison with the prior year from 35.37% to 82.87%. The background for this is the capital increase, carried out in line with the IPO, of €7,340,600 (corresponds to 7,340,600 no-par shares) at an issue price of €18.00 per share. In addition, there was a capital contribution into capital reserves by the major shareholders of €9.00 million.

With respect to the reduction in amounts due to banks, please see the statements made in the section "Financial Condition."

Just as in the case of receivables from affiliated companies, liabilities to affiliated companies result from the cash management system.

Position of the Group

Significant items	2007 € million	2006 € million	2005 € million	2004 € million	2003 € million
Group sales	180.19	140.12	115.96	87.42	68.81
Expenditures for purchased goods and services	39.03	32.78	26.34	16.80	16.25
Personnel costs	65.61	48.81	37.24	26.35	22.13
Other operating expenses	34.75	28.12	20.30	16.76	14.89
EBITDA	50.61	38.35	39.81	30.53	17.78
in %	28.09	27.37	34.33	34.92	25.84
EBIT	27.44	21.91	26.76	19.08	7.98
in %	15.23	15.64	23.08	21.83	11.60
EBT	23.02	19.83	24.67	16.92	6.30
in %	12.78	14.15	21.27	19.35	9.16
Group net income	22.84	11.39	15.39	10.02	1.30
in %	12.65	8.13	13.27	11.46	1.89

The earnings of the CompuGROUP Holding AG, as a holding company, depend essentially on the development of its operating subsidiaries. Group EBITDA increased in comparison with the prior year by €12.26 million to €50.61 million.

• Group sales in the past year were €180.19 million and thus were €40.07 million above those of fiscal year 2006. The sales were achieved with a total of 1,692 employees at various locations in Germany and abroad (employee figures as of 31 December 2007). The causes for the increase in sales are, in addition to the expansion of ongoing business, the revenues of the 2007 company acquisitions from the time of acquisition (in particular Tepe: €5.72 million). Likewise, the acquisitions of the prior year which, due to acquisition within less than a year, were allowed only on a pro-rata basis in the prior year, in the current year are included in sales revenues for the complete year.

The Austrian systema Human Information Systems GmbH is of particular influence in this respect (2007: €21.24 million; prior year: €5.74 million). Aescudata Deutschland GmbH and GTI AG as well as SMS spol. s.r.o. and SMS Slovakia spol. s.r.o. in the Czech Republic and Slovakia, respectively, also generated sales growth.

- Expenditures for purchased goods and services increased by €6.25 million. This represents a
 percentage increase of 19.06% compared with the prior year. In comparison with the prior
 year, the percentage sales increase was 28.60%. Thus the relationship of sales revenues to
 expenditures for purchased goods and services improved disproportionately.
- The increase in personnel costs of €16.80 million is attributable to the fact that the number of employees increased by 371 between the two balance sheet dates. In addition, the personnel costs of the companies acquired during the previous year, which were included in that year only on a pro-rata basis as a result of acquisition within less than a year, are contained in full in the current year. Here again, systema Human Information Systems GmbH in particular reflected higher personnel costs in comparison with the prior year by €7.85 million. Likewise, the employees of Tepe, which has been consolidated since January 2007, are contained in personnel costs in the amount of €2.41 million.
- Other operating expenses increased by €6.63 million.

Starting with the EBITDA that was higher by €12.26 million (€50.61 million; prior year: €38.35 million), as a result of amortisation and depreciation on intangible and fixed assets which were higher than in the prior year by €7.34 million, an EBIT of €27.44 million (prior year: €21.91 million) was realised. This represents an increase of €5.53 million. The increase in amortisation and depreciation is the result of the reserves requiring write-offs having been uncovered within the framework of the purchase price allocations (intangible assets – software, customer relationships and trademark rights) which in some cases were reflected in the prior year only prorated on the basis of time due to acquisitions within less than one year. Also the Tepe "asset deal" carried out at the beginning of fiscal year 2007 contributed to the increase.

Consolidated net income doubled in the reporting period in comparison with the prior year (2007: €22.84 million; prior year: €11.39 million). Alongside the improved operating results, positive special items further influenced the consolidated net income. Of decisive importance for the lower tax percentage were the significant special items in taxes on income and earnings resulting from the share-based bonus program for members of the management board.

Non-financial performance indicators

In fiscal year 2007, our employees made an essential contribution to the success of Compu-GROUP. With their professional competence, friendliness and readiness to provide service, they contribute significantly to distinguishing the CompuGROUP corporate group from Balance sheet
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the competitors. Employee-related key figures within the corporate group comprise, by way of example, the number of employees, the fluctuation rate, and the training budget. In addition, we determine on an annual basis the satisfaction of the employees with their personal work situation.

A further essential component is the efficiency of internal processes. In this regard, a constantly high performance of our products is ensured, among other things, on the basis of defined service levels and key technical figures. This high product performance standard is necessary in order to offer our customers an optimum of quality.

CompuGROUP places great value on customer-related performance indicators. In this regard, in addition to the number of customers, we also record the number of our products. In this manner, important conclusions can be drawn concerning the acceptance and popularity of the products we offer. It is thus possible for us to determine which modules in connection with our core products find the best resonance with the customer. We moreover place great value on key figures concerning customer satisfaction, which for the most part are obtained and processed by our knowledgeable hotline personnel.

Compensation of members of the management and supervisory boards

The compensation report of CompuGROUP presents the principles for establishing management and supervisory board compensations as well as their amounts and structure.

Compensation of the management board

Total compensation of members of the management board comprises results-independent and results -dependent components. Criteria for the reasonableness of the compensation are in particular the functions of the particular management board member, his or her personal performance, and the economic situation of the enterprise. The success and future prospects of the enterprise in the appropriate field of comparison likewise are important criteria in determining the compensation. The results-independent components consist of a fixed salary and fringe benefits, while the results-dependent components consist of a management bonus.

The fixed salary, a base compensation independent of performance, is paid out monthly as salary. In addition, the members of the management board receive fringe benefits in the form of in-kind compensations, which consist essentially of use of a company car. The use of a company car is taxable to each member of the management board as a component of compensation. Loans or advances were not made to members of the management board during the reporting year. The amount of the results-dependent compensation component depends on individually agreed goals.

Performances that would have to be rendered in the event of termination of employment were not promised to the members of the management board. In addition, no member of the management board received benefits or corresponding commitments from a third party in

the past fiscal year in consideration of his or her activity as a member of the management board. There are no pension commitments to any of the members of the management board.

Name	Fixed salary 2007 (€)	Management bonus achieved 2007 (€)	Fringe benefits (€)	Total compensation (€)
Gotthardt, Frank	500,000	800,000	5,859	1,305,859
Broer, Jan	150,000	100,000	2,429	252,429
Eibich, Uwe	125,000	100,000	1,870	226,870
Dr. Massmann, Erik	154,167	75,000	1,506	230,673

For purposes of comparison, the 2006 breakdown is as follows:

Name	Fixed salary 2006 (€)	Management bonus achieved 2006 (€)	Fringe benefits (€)	Total compensation (€)
Gotthardt, Frank	500,000	510,000	2,674	1,012,674
Broer, Jan	104,167	140,924	979	246,070
Dr. Massmann, Erik	150,000	100,000	1,453	251,453

In addition to the compensation listed above, the members of the management board – with the exception of Mr. Gotthardt – received a share-based special bonus in conjunction with the IPO in the amount of a total of €17.32 million (Mr. Broer: €6.76m; Dr. Massmann: €6.76m; Mr. Eibich: €3.81m). The arrangement, decided upon on 9 March 2005 by the supervisory board, provided that, in the event of an IPO, and taking growth into consideration, under certain conditions shares were to be issued to the members of the management board. As a base amount, the value of the enterprise, as of 30 November 2004, was established on the basis of the value of the enterprise at that time of €150 million, and in the case of an arrangement agreed upon at a later point in time with Mr. Uwe Eibich, at €240 million. Management board members Jan Broer and Dr. Erik Massmann each received 1%, in cash, of the difference between the enterprise value achieved upon admission to the securities exchange and the base amount, and Uwe Eibich received 0.65%.

The total paid out was earmarked and used by the members of the management board for acquisition of shares from the initial public offering, with a preferential allocation being provided to the aforementioned members of the management board. Since the members of the management board had to pay wage tax on their bonuses, they were permitted to sell, without restriction, up to 50% of the shares acquired through the bonus arrangement on the stock exchange or otherwise.

The remaining shares are subject to a holding period of two years, whereby the benefiting management board members are permitted to sell, each time, 10% of the remaining shares between the 7th and the 12th month and between the 13th and the 24th month,

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respectively. Beyond this, the remaining shares may be sold only with the approval of the supervisory board.

Compensation of the supervisory board

The compensation of the supervisory board was established by the annual shareholders' meeting and is regulated in § 16 of the articles of association. The compensation is geared to the functions and the responsibilities of the members of the supervisory board as well as to the economic success of the CompuGROUP corporate group. The compensation of the supervisory board is based on an annual fixed amount. Starting with the beginning of the fiscal year in which the shares of the Company become listed in the official or regulated market of a domestic securities exchange, each member of the supervisory board receives a fixed compensation in the amount of €40,000 per fiscal year. The chairman of the supervisory board receives one and a half times this amount. The fixed amount for the chair of the supervisory board accordingly is €60,000 and for all other members is €40,000 each. This results in the following allocation:

Name	Supervisory board compensation 2007 (€)
Prof. Dr. Klaus Steffens	60,000
Dr. Klaus Esser	40,000
Dr. Daniel Gotthardt	40,000
Prof. Dr. Rolf Hinz	40,000
Ursula Keller	40,000
Mathias Lange	40,000

For comparison purposes, the breakdown for 2006 is as follows:

Name	Supervisory board compensation 2006 (€)	Comment
Prof. Dr. Klaus Steffens	12,500	Chairman of the supervisory board beginning 16/8/2006
Dr. Klaus Esser	20,000	
Dr. Daniel Gotthardt	20,000	
Prof. Dr. Rolf Hinz	26,667	Chairman of the supervisory board until 16/8/2006; continues to be a member of the supervisory board
Ursula Keller	20,000	
Mathias Lange	20,000	
Dr. Reinhard Koop	12,493	Left the supervisory board as of 16/8/2006

Disclosures under § 289 para. 4 of the German Commercial Code (HGB)

Composition of subscribed capital

Capital stock of CompuGROUP Holding AG is €53,219,350 and is subdivided into 53,219,350 no-par bearer shares with the security identification code 543730 (ISIN: DE0005437305). Since 4 May 2007, the shares have been traded on the official market of the Frankfurt Stock Exchange (Prime Standard). Taking into consideration the treasury shares held by the company in the amount of 532,350 shares, there thus is voting capital stock of 52,687,000 common shares.

In the framework of the IPO carried out in May, the capital stock of the Company was increased by €7,340,600 from €45,878,750 to a present total of €53,219,350 via a capital increase through cash contributions, decided on by the managing board and approved by the supervisory board, from authorised capital with subscription rights. The increase of subscribed capital was recorded in the trade register on 2 May 2007.

Restrictions pertaining to voting rights or the transfer of shares

Restrictions of voting rights of the shares can result from the provisions of the Stock Corporation Act (Aktiengesetz). In particular shareholders are subject under certain conditions under § 316 of the Stock Corporation Act to a voting prohibition and in accordance with § 71b of the Stock Corporation Act, the Company is not entitled to vote on the basis of its treasury shares.

The shareholder group of the Gotthardt family/Dr. Koop consisting of the natural persons Mr. Frank Gotthardt, Dr. Brigitte Gotthardt, Dr. Daniel Gotthardt and Dr. Reinhard Koop as well as the legal persons to be attributed to them as being affiliated hold a total of 50.09% of the voting shares. This voting majority is established through two effectively concluded pooling agreements between the Gotthardt family and Dr. Koop. First there is a pooling agreement among Mr. Frank Gotthardt, GT1 Vermögensverwaltung GmbH, GT2 Beteiligungen GmbH, Dr. Brigitte Gotthardt and Dr. Daniel Gotthardt. Second, there is a pooling agreement among GT1 Vermögensverwaltung GmbH, GT2 Beteiligungen GmbH and Dr. Reinhard Koop. The subject matter of both pooling agreements is, among other things, safeguarding a uniform exercise of the voting rights with respect to the shares of CompuGROUP Holding AG.

The shares allocated to the members of the management board within the framework of the share-based bonus program are subject to a fixed period of investment of two years, whereby, however, between the 7th and the 12th month 10% of half of the shares acquired may be sold and between the 13th and the 24th month a total of an additional 10% may be sold. The members of the management board can decide freely about the use of the second half of the acquired shares. They may, in particular, sell part or all of these shares on a short-term basis in order to thus comply with their obligations to pay the wage tax that is triggered by the special bonus.

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Interests in capital exceeding more that 10% of the voting rights

8,782,085 shares with voting rights are attributable to General Atlantic LLC; based purely on all shares with voting rights, this corresponds to a portion of 16.67%.

Shares with special rights that confer control powers

No shares with special rights that confer control power were issued by the Company.

Nature of voting rights controls in the event of employee participations

The Company is unaware of whether some employees hold interests in the Company and do not exercise their control rights directly for themselves.

Legal provisions and provisions of the articles of association concerning the appointment and dismissal of members of the management board and concerning amendments to the articles of association

For appointment and dismissal of members of the management board, § 84 and § 85 of the Stock Corporation Act apply. For amendments to the articles of association, § 133 and § 179 of the Stock Corporation Act are to be applied.

Powers of the management board for issuance and repurchase of shares

With a resolution by the annual shareholders' meeting of 16 August 2006, the management board was authorised to increase, with the approval of the supervisory board, capital stock by up to €22,939,375.00 through one-time or multiple issuance of new shares for cash and/or in-kind capital contributions by 16 August 2011. On the basis of the capital increase of €7,340,600.00, executed from the approved capital, the approved capital increase is reduced accordingly to €15,598,775.00. The statutory subscription right of the shareholders can be excluded under various conditions with the approval of the supervisory board. Furthermore, the management board was authorised to establish, with the approval of the supervisory board, the additional details of the execution of the capital increases from approved capital.

In accordance with a resolution by the annual shareholders' meeting on 19 June 2007, the management board was authorised to acquire treasury stock of the Company in the amount of a total of up to 10% of the capital stock recorded in the trade register in the amount of €53,219,350.00 for any permissible purpose in line with statutory limitations. The authorisation is valid as of 19 June 2007, and it can be exercised in whole or in partial amounts, on a one-time basis or multiple times, up to 18 December 2008. Notification of the Bundesanstalt für Finanzdienstleistungsaufsicht, required under § 71 para. 3 sentence 3 of the Stock Corporation Act, has been made.

With this authorisation becoming effective, the authorisation granted in the past for the acquisition of treasury stock ends. Authorisations to use any treasury stock acquired are not affected by the resolution of 19 June 2007.

According to the resolution by the management board of 23 January 2008, up to 500,000 shares of the Company are to be reacquired; this corresponds to approx. 0.94% of capital stock. The repurchase of shares will take place for the purpose of utilising the acquired treasury stock in full or in part for the acquisition of enterprises, interests in enterprises or parts of enterprises.

With respect to reporting obligations under § 289 para. 4 no. 8 and 9 of the German Commercial Code (HGB), we herewith make a nil report.

Development services

The Group companies continuously strive to be able to always offer customers the most modern software and service products. Our development team (see "Personnel development") works with the most modern tools, using recognised standards for ensuring software quality.

In accordance with the regulations of IAS 38, the development services for self-created software (approx. 125,000 hours) are capitalised, which in 2007 resulted in an income effect in the consolidated financial statements of €5.1m (prior year: €4.7m) less amortisation for the fiscal year in the amount of €1.2m (prior year: €0.3m). This involves, among other things, the costs of software development work of the subsidiaries vita-X AG and Z1 Software GmbH. After completion, the software is amortised in accordance with its useful life.

vita-X helps to a considerable degree to overcome the borders between sectors in medical care.

As in the prior fiscal year, vita-X in 2007 primarily led to product development expenses.

The development work was completed at the end of the fiscal year, so the product will be amortised over the established useful life.

The larger portion of the development hours (approx. 200,000) results in costs in the current year, specifically the near-term, non-capitalisable adaptations of software products to new and/or changed legal or contractual regulations. Depending on speciality and/or current regulations, updates as a rule are necessary once a quarter. Development of new modules takes into consideration their cross-platform use. This has the advantage that they can be utilised in various medical information systems.

Software development as a rule is centrally organised and is broken down into the following three essential areas:

- Development of individual components of existing medical and dental information systems that are developed both centrally and decentrally.
- Development of platform products which, as self-contained products, are linked to the medical or dental systems through interfaces, such as electronic archive systems or systems for appointment management and organisation optimisation.
- Development of a new generation of medical and dental information systems in which there is a clear separation between business logic and user interface. This separation makes

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possible, with one-time development and maintenance expense, the realisation of core functions which are then used by different products and their product-specific user interfaces.

Individual components increasingly are worked on by sector-spanning central development teams. Training sessions by internal and external instructors ensure that the teams stay current about technological development.

Software generations to be developed in the future by CompuGROUP shall be characterised in that they will have an individualised front-end solution adapted to the individual CompuGROUP product lines, while the downstream back-end modules to be developed for all essential product lines will be generally applicable to all platforms. Mid-term, this means, in particular for the back-end area, an as sweeping as possible centralisation of the development activities. Therefore, the Company intends to develop a central development department for the back-end solutions in the area of Health Provider Services (HPS). On the other hand, the development and updating of the front-end area will remain in the hands of the subsidiaries. In maintaining the multiple brand strategy in the HPS segment, the Company intends to achieve customer- friendly synergy effects in its progress, such as are already in place in the development of the platform products.

Procurement

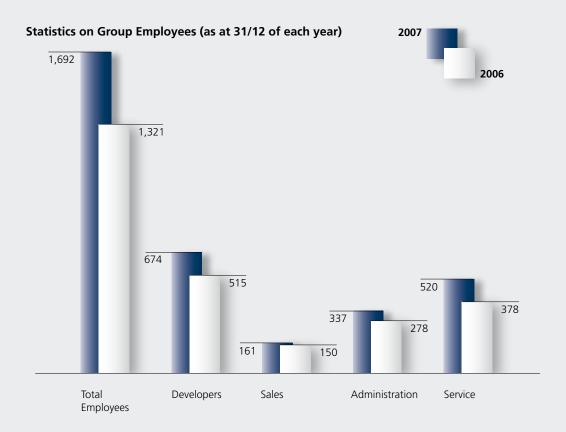
Procurement focuses on the purchase of software components and services. Internally, the necessary investments pertain to equipping the employees with EDP systems as well as the expansions or replacement of network components and telecommunication systems. The relevant suppliers and service provider partners are subject to regular monitoring within the scope of the QM system.

Employees

CompuGROUP continues to be an attractive employer. The increase in the numbers of employees is the result, in particular, of the Company acquisitions completed during the reporting year and of a constantly high need for qualified personnel.

Essentially, personnel expenses are composed of wages as well as ancillary costs and employee benefits. In part, the executive and sales areas have variable, profit-dependent income components.

As at 31 December 2007, balance sheet day, a total of 98 trainees are being trained for jobs in business and information technology within the Group. Good relationships with regional schools and high schools as well as corresponding selection procedures help to ensure a high quality standard during the hiring process. Internal job placements continuously offer committed employees of the CompuGROUP opportunities for further professional development. The internal CG-Business Academy systematically prepares employees, who are identified as having high potential, for future management functions in middle and top management.



Regular evaluations are conducted in all business areas with respect to continuing education activities offered to the employees. Thus, individually tailored training programs will ensure the highest measure of updated knowledge. The effectiveness of the training programs is also being analysed and adapted in order to increase quality standards.

Supplemental Report

Communication Portal

Group subsidiary, ISPro GmbH, Hattingen, announced in February 2008 the signing of a land-mark agreement. The HELIOS Kliniken Group decided for the allocation portal jesa-ja.net throughout the group. Consequently, the HELIOS Akutkliniken [acute clinics] will optimise its communication with physicians in private practice via this leading software product. According to information from ISPro GmbH, as a result of this latest achievement, jesa-ja.net has reached a market share in allocation portals of presently more than 85%. The HELIOS Clinical Group is part of the Fresenius Health Group. With 60 hospitals of its own, 17,300 beds, 500,000 in-patient cases annually as well as 700,000 out-patient cases per year, HELIOS is one of the leading hospital chains in Germany.

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Stock Buy-Back Program

The Board of Directors of CompuGROUP Holding AG resolved on 23 January 2008 to buy back its treasury shares in accordance with § 71 (1) No. 8 AktG, as authorised by the shareholders meeting of 19 June 2007. In total, 500,000 shares of the corporation shall be bought back, corresponding to about 0.94% of the current capital stock. The stock repurchase is intended for the purpose of using the acquired treasury shares in whole or in part for the acquisition of companies, investment in companies or portions of companies. The shares will be bought back exclusively through Xetra trade of the Deutsche Börse AG (Frankfurt securities exchange).

The buy back started on 23 January 2008 and will end no later than on 30 June 2008; however, the Board of Directors may end the buy-back prematurely at any time.

vita-X in Spain

CompuGROUP reported in February a large success in establishing the electronic patient records program in Europe: The Spanish holding, Medigest Consultores S.L., received from the Medical Board Madrid (ICOMEM) the go-ahead for the electronic network data base of over 15,000 physicians by means of such a solution. Hence, this project will provide about one million patients with the CompuGROUP's health record vita-X and its network data base Cordoba. The Madrid region is the third largest among the 17 regions in Spain. At any time, the project can be extended to other regions.

Fliegel DATA

On 16 February 2008, the CompuGROUP subsidiary, systema Deutschland GmbH, signed a purchase agreement for the acquisition of all shares in the herbert dahm datensysteme GmbH, Düsseldorf, and for the purchase of about 89% in Fliegel DATA GmbH, Höxter, and also submitted a purchase offer for the 11% shares in Fliegel DATA GmbH. It is expected that a takeover of all designated shares will occur as early as the first quarter of 2008.

The designated corporations will then be wholly-owned subsidiaries of systema Deutschland GmbH.

Fliegel DATA and herbert dahm jointly offer a complete hospital information system called fdklinika for acute-cases hospitals and rehab clinics. This also includes a laboratory information system, a system for the management of goods, and a radiology information system (RIS).

Risk Report

Risk Management System

In the beginning of 2008 a group-wide risk management system, in compliance with legal regulations, was implemented, allowing us to identify or foresee early on any relevant risks.

The approach, which encompasses all important areas, and the associated reporting process

serve as central element in the risk management system and allow the Board of Directors to act quickly, effectively, and aware of risk. Risk agents, who are responsible for the implementation of the risk management or reporting procedures, are appointed for each of the areas of the business that are considered important. The reporting procedures require that the risks be classified by risk categories and that the reports include an assessment of a potential occurrence as well as its effects measured with regard to EBITDA.

In addition to the identification and evaluation of important developments that may have a potential impact on our business, the system is also used to prioritise and implement activities for the reduction of risks, and moreover, to better utilise opportunities.

With the help of a standard risk reporting form, the designated risk agents categorically shall supply an evaluation and assessment of existing or potentially occurring risks on a quarterly basis. They will then be analysed by the appointed central risk management and summarised in a brief report. This risk report will be evaluated by the Board of Directors.

The continued systematic development of our risk management system constitutes an important contribution to more security and to the targeted development of our group-wide, uniform risk policy.

Market and Customer Risks

As an internationally operating business, CompuGROUP is doing business in the health markets of many European countries and some countries in the Middle East. On account of the worldwide uniform market being served by CompuGROUP, differences occur as a rule only as a result of political and legal regulations. CompuGROUP compensates that with detailed market information allowing the business to detect risk potentials early on.

Another important issue concerns risks generated by customer satisfaction and service quality. Simply because of the sensitivity inherent in the health market in general, CompuGROUP at all times attempts to offer the customers an optimal service. This is guaranteed through modern, updated and very safe software products and services that improve the work flow, as well as through comprehensive customer services.

Risks related to Law and Politics

Within the scope of the current precedents on patent law in the U.S. and in the European Union, software is subject to patent protection to an increasing extent. The resulting patent actions may also affect the CompuGROUP. Furthermore, there is the risk that defective products and subsequent potential liability issues may result in legal actions. CompuGROUP recognised that and obtained appropriate insurance protection.

Risks related to Technology as well as Research and Development

Innovations and material progressive developments resulting from the latest findings and new technologies have a large inherent potential. Financial performances, however, are exposed to the risk of failure. In particular, CompuGROUP is exposed to the following risk factors:

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Some subsidiaries have not been able to achieve sales revenues from the marketing of products and have reported a corresponding negative contribution since the beginning of the development. In particular, vita-X created considerable expenses for the Company for financial year 2007. To protect cost-intensive development projects, the corporation prepares appropriate profitability analyses reflecting future economic benefits and the year of expected break-even.

Risks of Acquisition/Procedures

Among other things, CompuGROUP broadens its international presence with targeted takeovers of businesses. The following procedures for a successful integration were set-up:

- In the pre-acquisition phase, we intensively deliberate, in advance of a takeover, whether the organisation of the business, the existing customer base, as well as the technology complement the portfolio of CompuGROUP in a profitable way. Each acquisition is preceded by a thorough analysis of the technical, economic and legal situation of the target business. Because of the continuing internationalisation of the Group, we pointedly stress the fact that the business culture and also the culture of the respective countries are compatible with our philosophy.
- During the post-acquisition phase, we employ clearly defined control mechanisms, in order to identify potential problem areas in a timely fashion. We pay attention to all important areas of the acquired business.

Moreover, risks arising in tax areas could be conceivable, particularly risks arising within the scope of internal audits. Other risks of litigation could result, for example, from labour and civil procedures. The business has provided reasonable precautions by making provisions for the latter type of risk.

Financial Risks

Based on the customer structure and the established multi-brand strategy of CompuGROUP, there are no agglomeration risks that could develop into significant risk potentials. Because of the high credit standing of the customers, the risks of bad debt losses are very low.

Personnel Risks

Since we are one of the leading European eHealth providers, our employees represent a valuable group of knowledgeable people in this area and thus are much in demand by other software companies. To avoid that our employees will be potentially enticed to leave us, we try to closely tie them to the business by offering continuing education, appropriate personnel advancement measures, and non-competitive clauses. Consequently, fluctuation in personnel is low.

Risks relating to Project Business

Due to legally established regulations in the area of project business, we often must compete with rival companies for the award of a contract. Frequently, the price determines the final

order placement. The Company uses a special handling procedure which regulates our authorisation processes for accepting projects and secures satisfactory profit margins for us.

Overall Risk Situation of the Group

No risks endangering inventory of the Group were identified for the prior year. Nor are there any identifiable risks endangering the continued existence of the business.

Dependency Report

The Company prepared a dependency report in accordance with § 312 AktG, in conjunction with § 17 AktG.

The Board of Directors is issuing the following assessment in accordance with § 312 (3) AktG:

"We state that according to the conditions known at the time the named legal transactions were made, our Company received equitable consideration for each transaction."

Prospect and Opportunities

On the basis of the stable market environment, the Company expects to present itself, for 2008 as well, to the greatest possible extent unfased by negative fallout from the general economic climate. The relevant market served by the Company appears to be nearly unaffected by negative trends, thus allowing CompuGROUP a high degree of planning reliability.

CompuGROUP is one of the leading European businesses in the eHealth industry. Because of its leading market position in the area of physician information systems in several European countries, the Company possesses a stable business foundation. The Company's longstanding, well-maintained customer contacts make it markedly more difficult for the competition to enter the market, and they also provide an essential basis for extending its business activities to other areas.

Thanks to this well-placed positioning and the broad distribution of our physician information systems, the Company has broad and central access to private physician practices and thus also has a platform for the promising network market of practising physicians, hospitals, insurance providers and industry. This opens up opportunities for CompuGROUP, because better networking between members of the health-care system, which increases efficiency and reduces costs, is an express political objective for many European countries. The Company will expand its business activities in 2008 to create an across-all-sectors network for all members of the health-care system.

The hospital segment was considerably enlarged through business acquisitions in the area of hospital information systems during recent years. Due to the addition of modern systems, valuable customers, and know-how associated with these acquisitions, the Company finds itself in a favourable position for further growth in this area. The Company plans to gain another market share by further accelerating its business activities in the area of hospital information systems.

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For the financial year 2008, CompuGROUP also plans to further strengthen its status of innovation pioneer within the industry with a number of innovative products and projects. The objective is to benefit accordingly from the high market potential in the area of health-care IT.

With its strong position in Europe, CompuGROUP strives for a continued development of its international activities, particularly through acquisitions. In this context, CompuGROUP plans to generate further growth through acquisitions and by serving new markets, such as the implementation of a physician information system in the emerging market of physicians in private practice in Turkey, where the Company plans to establish itself as an important provider for physician information systems. It is also quite conceivable for the Company to expand through acquisitions outside of Western Europe.

Based on the prognoses for our continued development, we assume a very positive overall business performance for the year 2008. We expect a growth in sales for the Group in excess of 20%, with an unchanged EBITDA margin. Moreover, based on its favourable position in the eHealth market, CompuGROUP expects to continue to be able to increase sales and EBITDA by double-digits rates. For the individual financial statement, the CompuGROUP Holding AG expects continued positive results.

The customer agreements entered into since the beginning of the year, some of which are long-term, reflect that the Group is strategically well positioned for significant future events and developments within the health-care market. The Company will continue its success story through continued enlargement of its product portfolio and further development of existing software solutions as well as IT services. Thus, for financial year 2009, the Company plans to introduce a new software generation in the human and dental medicine segment, which is expected to generate a generally positive response from the target group as early as during the year of its introduction.

Certification by the legal representatives

To the best of our knowledge and belief we certify that, in accordance with German Generally Accepted Accounting Principles, this financial statement gives a true and fair view of the net assets, financial position and profit situation of the Company, and that the course of business, including the financial results, and the Company condition are represented in the management report in such a way as to provide a true and fair representation of the actual circumstances, as well as a description of the important opportunities and risks of the Company's prospective development.

Cuely Frit Kamme for for liles

Koblenz, 29 February 2008

CompuGROUP Holding Aktiengesellschaft

The Board of Directors

Frank Gotthardt

Dr. Erik Massmann

Jan Broer

Uwe Eibich

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Auditor's Report

We have audited the annual financial statements, comprising the balance sheet, the income statement and the notes to the financial statements, together with the bookkeeping system, and the management report of the CompuGROUP Holding AG, Koblenz, for the business year from January, 1, 2007 to December, 31, 2007. The maintenance of the books and records and the preparation of the annual financial statements and management report in accordance with German commercial law are the responsibility of the Company's Board of Managing Directors. Our responsibility is to express an opinion on the annual financial statements, together with the bookkeeping system and the management report based on our audit.

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

Our audit has not led to any reservations.

In our opinion based on the findings of our audit, the annual financial statements comply with the legal requirements and give a true and fair view of the net assets, financial position and results of operations of the Company in accordance with (German) principles of proper accounting. The management report is consistent with the annual financial statements and as a whole provides a suitable view of the Company's position and suitably presents the opportunities and risks of future development.

Frankfurt am Main, February, 29, 2008

PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft

Dr. Ralf Worster
Wirtschaftsprüfer
(German Public Auditor)

ppa. Jürgen Körbel Wirtschaftsprüfer (German Public Auditor)



Consolidated Balance Sheet

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Consolidated Balance Sheet for the Year Ended 31 December 2007

Assets		31/12/2007	31/12/2006	
	Notes	€ 000	€ 000	
Long-term assets				
Intangible assets	(1)	165,628	142,672	
Property, plant and equipment	(2)			
Land and buildings		8,813	7,935	
Other facilities, furniture and office equipment		8,940	7,208	
Financial assets	(3)			
Holdings in affiliates at equity		7,917	9,250	
Other		455	634	
Deferred taxes	(4)	8,641	8,147	
		200,394	175,846	
Short-term assets				
Inventories	(5)	3,577	2,039	
Accounts receivable	(6)	20,883	17,093	
Other receivables	(7)	10,551	7,210	
Income tax receivables	(4)	10,910	5,870	
Securities (applied to net income at actual cash value)	(8)	309	1,621	
Cash and cash equivalents	(9)	32,635	10,437	
		78,865	44,270	
		279,259	220,116	

ebt and equity	31/12/2007	31/12/2006		
	Notes	€ 000	€ 000	
Equity	(10)			
Capital stock		53,219	45,879	
Treasury stock		-512	-512	
Reserves		142,858	9,006	
Capital and reserves due to partners of the parent company		195,565	54,373	
Minority holdings		2,451	4,702	
		198,016	59,075	
Long-term debt				
Pension reserves	(11)	1,386	1,456	
Liabilities to banks	(12)	3,228	65,403	
Purchase price liabilities	(13)	10,425	2,976	
Other liabilities	(16)	0	454	
Deferred taxes	(4)	15,284	24,631	
		30,323	93,464	
Short-term debt				
Liabilities to banks	(12)	2,891	20,420	
Trade accounts payable	(14)	9,612	8,204	
Income tax liabilities	(4)	7,191	11,150	
Reserves	(15)	9,877	8,234	
Purchase price liabilities	(13)	2,397	2,085	
Other liabilities	(16)	18,952	16,028	
		50,920	66,121	
		279,259	220,116	

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Consolidated Profit and Loss Statement for the 2007 Financial Year

		2007	2006
	Notes	€ 000	€ 000
Sales revenues	(17)	180,189	140,117
Company additions to plant and equipment	(18)	5,134	4,706
Other income	(19)	4,691	3,237
Expenditures for purchased goods and services	(20)	-39,032	-32,784
Personnel expenses	(21)	-65,614	-48,807
Other expenditures	(22)	-34,754	-28,120
Earnings before interest, taxes and depreciation (EBITDA)		50,614	38,349
Depreciation of intangible assets and plant and equipment	(23)	-23,177	-15,837
Decrease in value of financial assets	(24)	0	-600
Earnings before interest and taxes (EBIT)		27,437	21,912
Results from affiliates, reported at equity	(25)	0	198
Financial earnings	(26)	2,794	287
Financial expenditures	(26)	-7,209	-2,572
Earnings before taxes (EBT)		23,022	19,825
Taxes on income and earnings	(27)	-183	-8,433
Consolidated net income for the year		22,839	11,392
portion thereof applicable to the parent company		23,032	11,731
portion thereof applicable to minorities		-193	-339
Earnings per share	(28)		
undiluted (€)		0.46	0.26
diluted (€)		0.46	0.26

Consolidated Cash Flow Statement

	2007	2006
	€ 000	€ 000
Consolidated net income for the year	22,839	11,392
Depreciation of intangible assets, plant and equipment	23,177	15,837
Depreciation of financial assets	0	600
Profits from the sale of assets (net)	-473	-64
De-consolidation profits (net)	-398	0
Change in reserves (including income tax liabilities)	-3,270	-2,425
Change in deferred taxes	-8,329	-4,495
Other non-cash earnings/expenditures	-78	1,017
3 1	33,468	21,862
Change in inventories	-1,507	-338
Change in accounts receivable	-3,431	-92
Change in receivables from affiliates	0	1,316
Change in other receivables	-3,370	
Change in income tax receivables	-5,040	-2,370
Change in securities (valued at actual cash value)	1,312	
Change in trade accounts payable	1,343	1,021
Change in other long-term liabilities	2,870	454
Change in other short-term liabilities	-454	-4,349
Cashflow from commercial activities	25,191	16,502
Incoming payments from the sale of fixed assets	1,586	256
Outgoing payments for investments in fixed assets	-5,618	-1,374
Incoming payments from the sale of intangible assets	2,475	335
Outgoing payments for investments in intangible assets	-36,433	-7,540
Incoming payments from the sale of financial assets	2,534	637
Outgoing payments for investments in financial assets	-80	-6,948
Acquisition of minority shares	-7,698	0,540
Incoming payments from the sale of subsidiaries	379	0
Acquisition of companies less assumed cash and cash equivalents	-5,575	<u>–42,657</u>
Cashflow from investments	-48,430	-57,291
Incoming payments from other shareholders	2,985	502
Incoming payment from capital increase	132,210	0
Incoming payments from majority shareholders	9,000	0
Outgoing payments for Stock Option Program	-17,325	0
Outgoing payments for IPO costs	-7,910	0
Change in long-term purchase price liabilities	7,449	
Incoming payments from the assumption of loans	7,449	2,976 75,273
Outgoing payments for the amortisation of loans	-80,972	
5 51 7		-35,100 42,651
Cashflow from financing activity Change in cash and cash equivalents	45,437	43,651
·	22,198	2,862
Cash and Cash equivalents at the beginning of the period	10,437	7,575
Cash and Cash equivalents at the end of the period	32,635	10,437
Cash and cash equivalents at the end of the period	93	44
Interest paid	3,552	2,572
Interest received	1,936	226
Income tax paid	16,743	13,555
Dividends received	67	0

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Changes in Consolidated Equity for the 2007 Financial Year

	Parent company			
	Capital stock	Reserves	Treasury stock	Total
	€000	€000	€000	€ 000
Position on 31/12/2005	4,698	37,471	-512	41,657
Capital increase from the company's own resources	41,181	-41,181	0	0
Minority share through company acquisition and incoming payments/ deposits from other shareholders	0	0	0	0
Consolidated net income for the year	0	11,731	0	11,731
Stock Option Program	0	1,225	0	1,225
Cancellation of debit differences	0	-232	0	-232
Currency conversion	0	-232 -8	0	-232 -8
Currency conversion	0	-6	0	
Position on 31/12/2006	45,879	9,006	-512	54,373
Initial public offering (IPO)	7,340	124,870	0	132,210
IPO costs (net of tax)	0	-4,927	0	-4,927
Incoming payments from majority shareholders	0	9,000	0	9,000
Incoming payments from minorities	0	0	0	0
Reclassification of negative minorities	0	-103	0	-103
Purchase of additional shares from minorities after control	0	-2,552	0	-2,552
Stock Option Program	0	-17,638	0	-17,638
Consolidated net income for the year	0	23,032	0	23,032
Currency conversion	0	2,170	0	2,170
Position on 31/12/2007	53,219	142,858	-512	195,565

Minorities	Consolidated equity
	Total
€ 000	€ 000
3,328	44,985
0	0
1,713	1,713
-339	11,392
0	1,225
0	-232
0	-8
4,702	59,075
0	132,210
0	-4,927
0	9,000
2,985	2,985
103	0
-5,146	-7,698
0	-17,638
-193	22,839
0	2,170
2,451	198,016

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The Company

CompuGROUP Holding AG (parent company) is a company registered in Germany in the Commercial Register of the Koblenz Municipal Court under HRB No. 4358. The registered office of the company is located at Maria Trost 21 in Koblenz. The purpose of the company and its principal activities can be characterised as follows:

The group is currently divided into three divisions – Integrated Health Provider Services (HPS), Health Connectivity Services (HCS) and Electronic Patient Services (EPS). These divisions serve as the basis for the primary format of segment reporting.

- **HPS** Development and distribution of medical practice and hospital software solutions for doctors and dentists in private practice, as well as for hospitals
- **HCS** Networking of the service providers (doctors, dentists and hospitals) with other significant market players in the healthcare sector, such as cost carriers and pharmaceutical and generic drug companies
- **EPS** Products and services to meet the growing demand for patient health information (electronic patient services)

The consolidated financial statement was prepared in compliance with the International Financial Reporting Standards (IFRS), as they are to be applied in the EU, and the supplementary regulations of § 315a HGB. The income statement for the Group and the consolidated balance sheet correspond to the organisational requirements of IAS 1, while the income statement is structured according to the total cost method.

The consolidated financial statement is presented in thousands of euros (€000).

General principles

This consolidated financial statement combines the financial statements of CompuGROUP Holding AG and its subsidiaries (also referred to in the following as the "Company" or "CG Group"). It is a consolidated financial statement prepared in accordance with § 315a HGB, based on the IFRS. The application of the individual standards is described in the comments on the individual items in the consolidated financial statement.

The Company has applied all mandatory IASB standards for the year ended 31 December 2007, as well as the mandatory interpretations of the International Financial Interpretations Committee (IFRIC). The commercial regulations to be applied pursuant to § 315a HGB were also observed.

The application of the following standards, amendments of standards and interpretations is mandatory for financial years beginning 1 January 2007 or thereafter, but are of little or no relevance to the Company:

The following new or modified standards were not applied:

	Standard/Interpretation	Application requirement*	Acceptance by the EU-Commission**	Anticipated effects
IAS 1	Presentation of the annual financial statement			
	(revised 2007)	1/1/2009	still open	changes in terminology
IAS 23	Borrowing costs	1/1/2009	still open	EBIT-effects
IFRS 8	Operating segments	1/1/2009	still open	no effects
IFRIC 11	IFRS – Transactions involving company-owned shares			
	and shares of group companies	1/3/2007	yes	no effects
IFRC 12	Service concession agreements	1/1/2008	still open	no effects
IFRIC 13	Customer bonus programs	1/7/2008	still open	no effects
IFRIC 14	IAS 19 – The limitation of the estimation of assets,			
	minimum contribution payment requirements and			
	their interplay	1/1/2008	still open	no effects

^{*} for financial years beginning on or after this date

No standards and IFRIC interpretations were applied prematurely.

The consolidated financial statement is always based on the cost of acquisition principle. Unless otherwise noted, assets and liabilities are reported on the basis of the historic acquisition and manufacturing costs less necessary writedowns.

The estimates and assumptions on which the preparation of the consolidated financial statement according to IFRS is based affect the valuation of assets (goodwill; deferred taxes representing assets) and debt (reserves; purchase price liabilities), the declaration of contingent assets and liabilities on the respective balance-sheet dates and the amounts of earnings and expenditures for the reporting periods. Although these assumptions and estimates were prepared to the best of the knowledge of management, actual results may diverge from these estimates.

Consolidation principles

Effective date of consolidation

The consolidated balance-sheet date is 31 December, which corresponds to the effective date of the annual financial statement of the parent company and the subsidiaries.

Consolidation group

The financial statements of the Company and of the companies controlled by the Company (its subsidiaries) are included in the consolidated financial statement as at 31 December of each year. The term control applies when the Company has the ability to determine the financial and business policy of a company, thereby deriving economic benefit.

All included financial statements of the CG Group are prepared according to uniform accounting and valuation methods. Holdings in associated companies on which the Company exercises

^{**} last updated 31 December 2007

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decisive influence (generally accompanied by a share of voting rights ranging from 20 to 50 percent) are reported according to the equity method. For the year ended 31 December 2007, there were six equity holdings in associated companies that are reported according to the equity method.

The Consolidated Financial Statement is prepared at the level of CompuGROUP Holding AG, Koblenz (parent company). The following changes have occurred within the consolidation group, as compared with the previous year:

		1.1.2007			Additions			Disposals		3	1/12/200	7
	Domestic	Foreign	Total	Domestic	Foreign	Total	Domestic	Foreign	Total	Domestic	Foreign	Total
Subsidiaries	39	21	60	1	7	8	8	0	8	32	28	60

Regarding the additions to fully consolidated subsidiaries, see Corporate Acquisitions (p. 151) in the Notes. The most significant addition was the "Tepe" acquisition.

The "Gruber," "MedXpert" and "Tipdata" acquisitions are based on preliminary purchase price allocations.

Affiliated companies

See Shareholdings (Addendum (5) to Notes)

Capital consolidation

In corporate takeovers, the assets and debts of the relevant subsidiaries are valued at the market values at the time of acquisition, which must be settled. If the acquisition costs of the corporate takeover exceed the market values of the acquired, identifiable assets and debts to be settled, the difference is reported as goodwill (new valuation method). Any difference, on the liabilities side, between the acquisition costs of the corporate takeover and the acquired, identifiable assets and debts are recognised as part of net income in the period of the acquisition.

The shares of minority shareholders are reported as the share of the market values of the documented assets and debts to be settled that corresponds to the minority share. Subsequently, any losses to be attributed to the minority shares that exceed the minority share are directly offset against the equity attributable to the shareholders of the parent company.

The financial results of the subsidiaries acquired or sold during the course of the year are included in the Group income statement beginning on the actual date of acquisition or on the actual date of sale.

If necessary, the annual financial statements of the subsidiaries are adjusted so that their accounting and valuation methods match those applied to the Group.

Debt consolidation

Receivables and liabilities between the companies included in the Consolidated Financial Statement are offset.

Consolidation of results

Internal sales between the consolidated companies were offset against the expenditures attributable to them.

Other earnings were offset against the corresponding expenditures with the recipient of the services.

Interim profits from deliveries and services within the Group were eliminated.

Tax accruals and deferrals from chronologically diverging valuations between the financial statement prepared according to IFRS and the tax balance sheets and/or from consolidation procedures are offset are reported as deferred taxes on the assets side.

Foreign currency conversion

The functional currency is the respective national currency as the currency of the primary business environment. The reporting currency is the EURO, the functional currency of the parent company.

Accordingly, the balance sheets of the foreign subsidiaries are converted on the basis of average rates on the balance-sheet date, the equity capital at the historic rate and the income statement on the basis of the annual average rates. Profits and losses that result from the conversion are included in equity capital, not affecting net income.

Foreign currency transactions are converted into the functional currency at the exchange rates in effect on the transaction date. Profits and losses resulting from the fulfilment of such transactions, as well as from the conversion, at the period-end exchange rate, of monetary assets and liabilities reported in the foreign currency, are included in the income statement.

Summary of the principal accounting and valuation methods and underlying assumptions

The balance sheet items are subdivided into short-term and long-term items. Items are shown as long-term items if they are expected to be realised after more than 12 months or within a normal business cycle. Deferred taxes are always allocated to the long-term items.

Software and other intangible assets

Software and other intangible assets are shown at advanced acquisition and production costs, less cumulative, scheduled straight-line depreciation. The principal portion stems from corporate acquisitions.

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Costs of	Duration of use in years
Software and licenses	2–15
Customer relations, customer contracts, brands	10–15

Internally-produced intangible assets

Costs of research activities are shown as expenses for the period.

An internally-produced intangible asset that arises from the Group's software development is only shown as an asset if the following conditions apply:

- the produced asset is identifiable (e.g., software and new methods)
- it is likely that the produced assets will provide future economic benefit, specifically
 that, in addition to the feasibility and intention to produce and introduce them into
 the market, sufficient technical and financial resources are available until the development and market introduction of the software is completed; and
- the development costs of the asset can be reliably determined (especially verification of hourly records)

Internally-produced intangible assets (generally software) are straight-line depreciated over their period of use (2-6 years). The directly allocable costs are included in manufacturing costs. Borrowing costs are not shown as assets; instead, they are shown as an expense in the period in which they are incurred.

Goodwill/CGU

CompuGROUP Holding AG continuously examines the change in value of its portfolio of holdings. In addition, the intrinsic value of the goodwill, according to the IAS 36, is periodically (at least once a year) examined in the context of the so-called Impairment Test.

In the context of the Impairment Test, the book values of the units on which the goodwill is based [so-called Cash Generating Units (CGU)] are compared with their market values on the respective balance-sheet dates.

The subsidiaries (or group of subsidiaries) (each with different software) were defined as the value-driving units of CompuGROUP Holding AG. The Discounted Cash Flow (DCF) method is used to determine the utility values of the subsidiaries

The future cash flows of the companies, which are to be discounted according to the DCF method, are determined using the 2008 planning of CompuGROUP Holding AG for the net assets, financial position and results of operations and are verified on the basis of historical values. Then the results are extrapolated for four years by means of growth factors. The growth rates are 3.0% (HPS), 5.0% (HCS) and 8.0% (EPS). After the five-year period, perpetual annuities are used, assuming a growth rate of 1.5% (rate of inflation). To determine the cash value of the future cashflow, a cost of capital approach based on the so-called WACC was applied. The following assumptions were used:

Parameter	Assumption
WACC (before taxes)	10.50 % - 14.67 %
Beta-Factor	1.2
Long-term growth rate	1.50 %
Risk-free interest	4.66 %
Market risk premium	5.00 %

The Impairment Test in 2007 (effective date: 31 December 2007) did not result in a need to depreciate the goodwill shown on the financial statements.

All tests show significant debit balances. At a one-percent higher interest rate, there would still be no need for depreciation. The debit balance would be reduced by €50 million at a one-percent higher interest rate.

Fixed assets

Fixes assets are shown at amortised acquisition and production costs, less cumulative scheduled depreciation and non-scheduled writedowns. Borrowing costs are not shown as assets; instead, they are shown as an expense in the period in which they are incurred.

Depreciation is done by straight-line distribution of the costs or the estimated value of assets, with the exception of land or facilities under construction, across their expected period of use, based on the following: buildings (2%) and other facilities and plant and equipment (10-30%), relative to the acquisition and production costs, in each case.

Intrinsic value of durable assets

On each balance-sheet date, the Group examines the book values of its fixed assets and intangible (depreciable) assets to determine whether there is a need to depreciate these assets. If there is evidence of such a need, the market value of the asset is estimated in order to determine the scope of the potential depreciation need. If the market value for the individual asset cannot be estimated, the market value is estimated for the cash-generating unit to which the asset belongs. This also applies in the event of evidence for a writedown.

The market value is the greater of the market value less selling costs and the utility value. When determining the utility value, the estimated future payment flows are discounted to the cash value using the current standard interest rate (before taxes), which reflects the specific risks of the asset, which are not taken into account in the payment flows.

If the estimated market value of an asset (or a cash-generating unit) is less than the book value, the book value of the asset (or of the cash-generating unit) is reduced to the market value. The writedown is recognised immediately, affecting net income.

Upon the subsequent reversal of a writedown, the book value of the asset (or cash-generating unit) is increased to the newly estimated market value. The increase in the book value is limited to the amount that would have been determined if no writedowns had been recognised for the asset (the cash-generating unit) in previous years. A reversal of the writ-

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edown is recognised immediately, affecting net income. In the case of goodwill, reversals of writedowns do not occur.

Financial assets

Holdings in affiliated companies

Pursuant to IAS 28, affiliated companies are reported according to the "equity method". Reporting at the time of acquisition is done at acquisition costs. Holdings in affiliates also include the goodwill identified at the time of acquisition, fewer write-downs. The prorated profits and losses of associated companies allocable to the Company in the period are collected, affecting net income.

Other financial assets

These consist primarily of loans to be included in the category "Loans and Receivables". They are valued at Fair Value upon issuance and then at amortised acquisition costs. €112,000 in equity holdings (equity holding rate less than 20%) is also included.

Financial assets available for sale

The Company currently has no assets in this category.

Derivative financial instruments

The Company currently does not use any derivative financial instruments.

Financial assets valued at market value, affecting net income (securities)

Securities are held exclusively for trading purposes or as short-term investments with the intention to sell. Therefore, they are to be assigned to the category of "Financial assets to be valued at the market value, affecting net income" (IAS 39.9). Valuation on the balance-sheet date is done at Fair Value (market values).

Inventories

Inventories are valued at the lower of either acquisition or manufacturing costs or net residual value. Manufacturing costs include material unit costs and, if applicable, production unit costs, as well as overhead allocable to production. Acquisition costs are calculated according to the weighted-average method. The net residual value represents the estimated selling price less all estimated costs to completion, as well as the costs for marketing, sales and distribution.

Receivables

Trade receivables as well as other receivables contain no interest and are valued at the market value upon accrual (category: Loans and Receivables). The subsequent valuation is done at amortised acquisition costs less writedowns. Bad debts and pending losses from irrecoverable debts are taken into account by means of reasonable value adjustments. Foreign currency receivables are converted at the reporting-date exchange rate.

Cash and cash equivalent

The Company considers all highly liquid financial investments with a contractual term of up to three months as cash equivalents. These are primarily bank balances with short-term maturities.

Provisions

Provisions are established for legal and actual obligations that existed on the balance-sheet date or that arose for economic reasons if it is likely that the fulfilment of the obligation will lead to an outflow of funds or an outflow of other resources of the Company, and if there is uncertainty, resulting from estimating inaccuracies, with regard to due dates and amounts. Provisions are shown at the amount that, based on commercial appraisal, is necessary to cover the corresponding obligation.

Pension provisions are determined, according to IAS 19, using the actuarial projected net present value method. In this method, biometric bases for calculation and the respective, current long-term capital market interest rate, as well as current assumptions regarding future salary and pension increases, are taken into account. The corridor rule has not been applied since 2006. Actuarial profits and losses are immediately recognised in the income statement.

Provisions for warrant obligations are recognised at the time of sale of the product in question. The amount results from the estimated costs necessary to satisfy the Group's obligation.

Share-based bonus plans

Share-based bonus plans exist for members of the management board and were accounted for under IFRS 2. An expense corresponding to the fair value of the services rendered for the options granted was recorded. For this purpose, the total expense in excess of the vesting period was calculated based on the fair value of the issued options (these comprise solely 'equity-settled' plans). All options were exercised in conjunction with the May 2007 IPO. All plans expired on 31 December 2007 (see the report on the management board's remuneration system).

Payables

Payables are valued at the present value when incurred. Foreign currency payables are converted at the closing exchange rate. Borrowings are stated net of accrued arrangement fees. Arrangement fees are amortised over the term of the loan pursuant to the effective interest rate method.

There are no payables held for trading purposes.

Combined financial instruments; embedded derivatives

The Company currently does not hold any essentially combined financial instruments or embedded derivatives.

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Hedging

The Company does not comply with the hedging rules of IAS 39.

Income recognition

Income from the sale of goods and rights is recorded once the risks and rewards of ownership of the goods and rights have been transferred to the buyer, the transfer of the economic use of the asset is likely and the amount can be reliably established.

Orders to install software in hospitals, however, are accounted for according to the percent-age-of-completion method ("POC method"; IAS 11), such that the sales of this business are recognised according to the status of each project (based on costs incurred and the profit margin).

The main types of sales and their recognition are presented below:

- Income from sales of licenses are booked on delivery.
- Income from software update agreements (maintenance) is booked over the period when the services are rendered.
- Discounts on sales of packages (software licenses and software maintenance) are always booked against the software sale. Accordingly, the customary price for software maintenance is recorded and the difference compared to the total price is offset against the software sale ("only the sale is discounted, never the maintenance").
- Advertising revenues, which are always based on a given quarter, are subject to a
 precise quarterly cut-off for accounting purposes.
- Generally, the overall hospital business, which is a project business, uses the POC method.

Interest income is posted to the correct accounting period based on the outstanding loan balance and the applicable interest rate. The applicable interest rate is the interest rate calculated on the estimated future cash to be received over the term of the financial asset and the net book value of the financial asset.

Dividend income from investments is recorded when the shareholder (the Company) is entitled to payment.

Corporation tax

The corporation tax charge consists of the current tax charge and deferred tax.

The current tax charge is based on the Company's taxable income. The Group's current tax liability is based on the applicable tax rates.

Deferred tax represents expected future tax savings or additional charges arising from the difference between the book values of assets and liabilities in the Group financial statements and the values adopted in the taxable income computation. The liability method is used in the deferred tax calculation. Deferred tax assets are only recognised for taxable timing differences insofar as it is probable that there will be sufficient taxable income to use the deductible timing differences. Deferred tax is not recorded if the timing differences arising from goodwill or another asset/liability do not affect either taxable income or Group earnings.

Deferred tax assets are recognised for tax losses carried forward.

The deferred tax book values are based on the tax rates as at the balance sheet date, which will apply when the debt is paid or the asset is realised. Deferred tax entries generally impact income with the exception of first -time consolidation.

Explanation of items on the balance sheet and income statement

1. Intangible assets

	31/12/2007 € 000	31/12/2006 € 000
Software and other intangible assets (incl. payments on account)	84,938	68,637
Goodwill	68,820	66,129
Self produced software	11,870	7,906
	165,628	142,672

The principal additions during the year related to the "Tepe" transaction in conjunction with Tepe's formation at the beginning of the financial year. Following its formation, Tepe received funds as part of a capital increase that were used to purchase the above assets from two Turkish companies. A cooperation agreement was also signed with one of the investing Turkish companies. In addition, a variable purchase price was agreed based on sales and EBITDA in financial years 2007, 2008 and 2009. The purchase price for the assets amounted to €27.9m plus the variable portion. The purchase price was allocated between assets based on the acquisition method as follows

	Million €
Software – intangible assets	16.0
Cooperation agreement – intangible assets	8.4
Orders on hand – inventories	2.0
Other – tangible assets	0.1
Goodwill – intangible assets	1.4
	27.9

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The principal items of goodwill were as follows (for abbreviations see note (5) in the Notes to the financial statements):

	31/12/2007 € 000	31/12/2006 € 000
Systema-Group	14,304	14,800
Turbomed	14,152	14,152
lfap	9,290	9,290
medistar	8,372	8,372
Gruber	3,265	0
Axilog	3,092	3,092
ChreMaSoft	2,697	2,697
CompuMed (from medev Praxiscomputer GmbH & Co. KG)	2,325	2,325
CompuMed (from medev Praxiscomputer Verwaltungs-GmbH)	2,136	2,136
Ispro	1,574	3,308
Datavital	1,435	1,435
Тере	1,409	0
Dialog	801	801
medi cine	767	961
Other	3,201	2,760
	68,820	66,129

The reductions in the goodwill for Systema Group, Ispro and Medicine are due to the retroactive reductions in purchase price (corresponding reduction in purchase price liabilities).

Self-produced software

Self-produced software has only been capitalised since 2005 because the documentation supporting the cost (e.g. time sheets) and the project definitions did not exist in prior years. The valuation is based on directly attributable production costs.

Changes in intangible assets are detailed in the attached fixed asset table (change in 2007 intangible and tangible assets).

2. Tangible assets

Low value fixed assets individually costing up to €410 were fully written off in the year of purchase.

Changes in tangible fixed assets are detailed in the attached fixed asset table (Notes (1) and (2) in the Notes to the financial statements).

3. Financial assets

Investments in affiliated companies.

Valuation is based on IAS 28.

	31/12/2007 € 000	31/12/2006 € 000
Fimed	6,332	6,358
medigest	509	500
medatis	78	78
Systema investments:		
ITH	0	1,249
HCS	930	1,022
Other	68	43
	7,917	9,250

ITH was sold on 30 May 2007 for €800,000 plus a €500,000 dividend.

Miscellaneous

Valuation is at acquisition cost and relates to the following equity investments and loans:

Equity investments	31/12/2007 € 000	31/12/2006 € 000
Erudis	65	0
IC med	25	25
AES Ärzteservice Schwaben GmbH	11	11
BFL Gesellschaft des Bürofachhandels mbH & Co. KG	7	7
TechnoSante S.A.S., Toulouse	4	4
Third party loans	343	587
	455	634

4. Corporation tax receivables, deferred tax and corporation tax payables

Corporation tax receivables (€10,910,000; prior year: €5,870,000) comprise current tax receivables of Group companies. In 2007 this item was reported separately and the 2006 figures restated with no effect on earnings, pursuant to IAS 8.

Corporation tax payables (€7,191,000; prior year: €11,150,000) comprise current tax payables.

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Deferred tax assets and liabilities as at 31 December are broken down as follows:

	Deferred tax				
	Ass	sets	Liab	ilities	
	31/12/2007	31/12/2007 31/12/2006		31/12/2006	
	€ 000	€ 000	€ 000	€ 000	
Intangible and tangible assets	0	0	17,633	24,138	
Consolidation adjustments	144	0	135	565	
Other (net)	0	101	- 709	-72	
Tax losses carried forward	10,302	8,046	0	0	
Offset vs. deferred tax liabilities	-1,805	0	-1,805	0	
	8,641	8,147	15,284	24,631	

Deferred tax assets largely consist of tax losses carried forward (with no time limit) as follows:

	31/12/2007 € 000	31/12/2006 € 000
Axilog	3,902	3,899
vita-X	2,355	1,056
CompuGROUP Holding AG	1,506	0
RSS	373	318
UCF	268	1,036
CompuGROUP-Beteiligungs GmbH	246	0
MedicalNet	193	0
Ifap	26	204
Novacom	0	320
Other companies	1,433	1,213
	10,302	8,046

Deferred tax liabilities largely consist of self-produced software capitalised in the Group balance sheet, software acquired from Company acquisitions and all deferred taxes from consolidation adjustments (e.g. intercompany profit eliminations etc.).

The deferred tax assets from tax losses carried forward largely relate to the French companies. The largest item relates to a deferred tax asset of €3.9m from tax losses carried forward by Axilog, which posted positive 2007 EBITDA of €1.8m. Furthermore, €2.4m relates to vita-X and €1.5m to CompuGROUP AG. The vita-X plan assumes long-term success for the electronic patient file and that CompuGROUP AG will exhaust its tax losses as soon as 2008.

5. Inventories

	31/12/2007 € 000	31/12/2006 € 000
Raw materials	87	0
WIP	1.711	712
Goods	1.779	1.327
	3.577	2.039

Provisions booked against inventories are specific provisions and are immaterial overall.

6. Trade receivables

No trade receivables fall due in more than one year. 2007 bad debt provisions (including bad debts written off) amounted to €707,000 (prior year: €1,076,000).

Specific bad debt provisions are based throughout the Group on the age of receivables. Doubtful receivables are always written down on an individual basis. Because of their short-term maturity, the book value of the trade receivables net of provisions is close to the fair value.

Receivables resulting from the percentage of completion method (PoC)

PoC receivables amounted to €4,084 (prior year: €0) less received PoC payments on account of €3,283,000 (prior year: €0). The corresponding sales are fully included in the income statement. This relates almost exclusively to the hospital project business acquired by the Company in late 2006.

Age of receivables, breakdown of provisions	31/12/2006 € 000	Additions	Used	12.31.2007 €000
Due date of receivables:				
0–3 months	14,919			16,508
4–6 months	1,200			1,246
7–12 months	876			1,160
> 12 months	1,261			2,665
Specific provisions	-1,163	-707	373	-1,497
PoC receivables (less received PoC payments on account)	0			801
	17,093			20,883
Region				
Domestic receivables	8,600			10,875
Foreign receivables	9,656			11,767
Specific provisions	-1,163			-1,497
	17,093			21,145

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7. Other receivables

Other receivables are broken down as follows:

	31/12/2007 € 000	31/12/2006 € 000
APO-Bank	3,162	1,000
Short term loan	2,164	223
Payments on account	1,028	1,606
Amounts due from associates	0	91
Other	4,197	4,290
	10,551	7,210

8. Investment securities (adjusted to present value affecting earnings)

Investment securities only consist of short-term fixed income securities held by Group subsidiaries Systema Austria and Aescu Data Austria and are stated at fair value.

9. Cash and cash equivalents

Positive balances with banks relate to current accounts and earn interest at 0.5% per year. Changes in cash and cash equivalents are detailed in the cash flow statement.

10. Equity

Changes in equity are detailed:

Share capital	31/12/2007 € 000	31/12/2006 € 000
Issued and fully paid-in share capital:		
45,878,750 shares at €1.00 each		45,879
53,219,350 shares at €1.00 each	53,219	
Authorised share capital:		
22,939,375 shares at €1.00 each		22,939
15,598,775 shares at €1.00 each	15,599	

The Company only has one class of shares, which does not automatically entitle shareholders to dividends.

The share capital is divided into 53,219,350 bearer shares with the securities ID number 543730 (ISIN: DE0005437305). Following the May 2007 IPO, the Company's share capital increased by €7,340,600.00 from €45,878,750.00 to €53,219,350.00 through a capitalincrease through cash contribution that was approved by the Management Board and the Supervisory Board.

Authorised share capital

With the decision of the shareholders general meeting dated 16 August 2006, the Management Board was authorised, with the approval of the Supervisory Board, to increase the share capital by up to € 22,939,375.00 by one or more share issues in exchange for cash contribution and/or non-cash contributions until 16 August 2011. Due to the €7,340,600.00 capital increase, from authorised share capital, the authorised share capital is reduced accordingly to €15,598,775.00. With the approval of the Supervisory Board, the statutory priority subscription right of the shareholders may be excluded due to various premises. Furthermore, the Management Board was authorised with the approval of the Supervisory Board to determine the details for capital increases from authorised share capital.

Treasury shares

- If the Group purchases treasury shares of CompuGROUP Holding AG, the value of the consideration paid is deducted from CompuGROUP Holding AG equity until such shares are reissued or sold. The treasury shares represent the costs of the CompuGROUP Holding AG shares that were bought on the market.
- The Company held 532,350 treasury shares as at the balance sheet date, which were purchased in financial year 2001. The current proportion of the 532,350 treasury shares in the Company's total share capital of 53,219,350 shares represents a ratio of approximately 1.00%.
- Pursuant to the decision of the shareholders general meeting dated 19 June 2007, the Management Board was authorised to acquire treasury shares of up to 10% of the share capital registered in the Commercial Registry in the amount of €53,219,350.00 for any permissible purpose subject to legal restrictions. Should the share capital amount to a lower figure at the time of purchase, this authorisation shall be reduced accordingly.
- The authorisation takes effect from 19 June 2007, and may be exercised in whole or in part on one or more occasions until 18 December 2008. The Company has informed the Bundesanstalt für Finanzdienstleistungsaufsicht (German financial services regulator) as required under § 71, Para. 3, page 3 AktG.
- With effect from the effective date, this authorisation supersedes the previous authority for the purchase of treasury shares. Authorisation to purchase treasury shares pursuant to the 19 June 2007 resolution remains unchanged.
- In accordance with a management board resolution dated 23 January 2008, the Company plans to purchase up to 500,000 treasury shares representing some 0.94% of share capital. The purpose of the share buybacks is to use the purchased shares in whole or in part for future company acquisitions, purchase of equity investments or partial company takeovers.

Equity reserves

Increases to equity reserves during the year result from the €124,790,000 premium on issue of new shares in conjunction with the IPO plus the €80,000 sale of unexercised subscrip-

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tion rights of shareholders on the market, a $\leq 9,000,000$ capital payment from a major shareholder posted to capital reserves, $\leq 23,032,000$ net profit for the year of the parent company and $\leq 2,170,000$ for currency differences.

The currency differences reserve stood at €2,168,000 as at the balance sheet date.

IPO costs of €4,927,000 after deduction of corporation tax, share-based bonuses for Management Board members of €17,638,000 and the purchase of minority interests of €2,552,000 were posted against equity reserves.

If the Board recommends a final dividend, this will be conditional on shareholder approval at the annual shareholders' meeting. Consequently, the proposed dividend is not recorded as a liability in the consolidated financial statements.

Minority interests

	31/12/2007 € 000	31/12/2006 € 000
Тере	2,328	0
Tipdata	48	0
Gruber	45	0
Others	30	0
UCF Holding S.A.R.L.	0	3,405
Aescudata GmbH	0	1.220
Turbomed EDV GmbH	0	77
	2,451	4,702

Share based remuneration

The CompuGROUP Supervisory Board approved a special bonus rule applying to Management Board members during its meeting on 9 March 2005 and amended it in relation to certain payment aspects in early May 2005. Under the special bonus rule, Management Board members will be issued shares in the event of an IPO or the sale of the Company under certain conditions. The special bonus rule was terminated after the IPO during the year – see details hereto in the Management Board remuneration section of the management report.

11. Pension provisions

The pension provisions were calculated based on a current actuaries report. The discount rate applied in the calculation as at 31 December 2007 was 5.7% (prior year 4.50%).

There are pension liabilities owing to eight employees of Data-Vital GmbH & Co. KG to pay a fixed, 60% retirement/disability and spousal pension to one GTI AG employee and to one CompuGROUP Software GmbH employee. There are also pension obligations for various employees of certain French subsidiaries under defined benefit plans.

All employees are covered by statutory pension insurance in Germany, France, the Czech Republic, Slovakia, Poland and Austria.

The following table breaks down the pension provision balances and the underlying assumptions applied in the calculation of the pension provisions:

	2007 € 000	2006 € 000
Provision 1.1.	1,456	503
First-time consolidation	0	616
Service cost	112	273
Interest cost	148	64
Actuarial gains	-330	0
Provision 31.12.	1,386	1,456
DBO 31.12.	1,606	1,625
Plan Assets	-220	-169
Provision 31. 12.	1,386	1,456
Actuarial assumptions:	%	%
Discount rate	5.70	4.50
Future salary rises	2.00	2.00
Future pension rises	1.75	1.75

Domestic pension liabilities are based on the typical mortality rates applied in Germany (under Heubeck 2005 G). Plan assets relate to assets for pension liabilities for one GTI AG employee.

12. Current and long-term liabilities due to banks

	Due in < 1 J. € 000	Due in 1–5 J. € 000	Due in > 5 J. € 000	total € 000	Of which insured € 000
Liabilities	2,891	2,933	295	6,119	3,534

Insurance: The liabilities are secured through property mortgages, pledges, interest and repayment guarantees with various banks.

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13. Purchase price liabilities

	31/12/2007 € 000	31/12/2006 € 000
UCF	4,387	0
Тере	3,641	0
Gruber I	2,397	0
Ispro	0	1,735
medi cine	0	753
UHC	0	225
Dialog	0	263
Total long-term purchase price liabilities	10,425	2,976
Gruber II	1,050	0
medicine	633	0
Fimesan	479	0
Dialog	235	0
Systema Group	0	1,860
UHC	0	225
Total short-term purchase price liabilities	2,397	2,085

Long-term purchase price liabilities (due in more than one year)

UFC: minority interests have a put option amounting to the nominal value of the shares plus interest (interest bearing).

Tepe: interest bearing earn-out clause based on sales and EBITDA in financial years 2007, 2008 and 2009.

Gruber I: minority interests have a put option at a fixed price plus an interest bearing earn-out clause

Ispro: The remaining liability of the purchase price is based on EBITDA for financial years 2006 to 2008. In view of the actual EBITDA results for 2006 and 2007 and the 2008 budget and in accordance with certain provisions of the purchase agreement dated 26 April 2006, the Company does not forecast any addition to the purchase price.

Short-term purchase price liabilities (due in less than one year)

Gruber II: The remaining liability from the share purchase in November 2007.

medi cine and Dialog: options and purchase price based on company results (earn-out clause)

14. Trade payables

The trade payables of €9,612,000 (prior year €8,204,000) all fall due in less than one year.

15. Provisions

	1.1.2007	Addition – first time consolidation	Used	Release	Increase	31/12/2007
	€ 000	€ 000	€ 000	€ 000	€000	€ 000
Payroll costs	4,982	250	4,732	189	6,141	6,452
Guarantees	1,690	0	384	128	0	1,178
External year end accounting costs	714	0	644	70	737	737
Legal charges	268	0	198	58	862	874
Other	580	552	580	222	306	636
	8,234	802	6,538	667	8,046	9,877

The payroll cost provisions relate largely to bonuses/commissions of €2,644,000 (prior year: €822,000), holiday pay of €1,562,000 (prior year: €1,279,000) and overtime of €543,000 (prior year: €377,000).

16. Other liabilities

	31/12/2007 € 000	31/12/2006 € 000	
Deferred income	8,066	7,349	
VAT, payroll tax	4,817	2,724	
Employee payables	2,487	1,657	
Purchase price balance, trademarks	700	0	
Other	2,882	4,298	
Total short-term other liabilities	18,952	16,028	
Total long-term other liabilities	0	454	

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17. Sales

	2007 € 000	2006 € 000
Software service/maintenance	68,073	57,809
Network income	45,984	37,721
Sales of software	24,051	19,790
Services	21,148	7,179
Communication income	9,053	7,696
Hardware sales	8,209	5,194
Other income	3,671	4,728
	180,189	140,117

18. Company-produced additions of plant and equipment

Company-produced additions of plant and equipment relates exclusively to self-produced software, which in 2007 amounted to a total of 125,482 working hours (prior year: 117,620 working hours). The hourly rate depends on the German state and varies between €10.00 and €42.00 per hour.

19. Other operating income

	2007 € 000	2006 € 000
Reversal of APO-Bank bad debt provision	1,500	1,000
Compensation for damages	850	0
Gain on first-time consolidation	498	0
Gain on sale of fixed assets	98	371
Rental income	24	112
Release of bad-debt provisions	0	86
Recharged administrative costs to third parties	0	62
Investment grants	0	0
Other	1,721	1,602
	4,691	3,233

20. Expenses for purchased goods and services

	2007 € 000	2006 € 000
External software maintenance/hotline/purchased services	25,367	24,596
Hardware	5,366	1,949
Software	2,769	1,733
Supplies	1,286	1,410
Software maintenance/hotline	1,284	359
Medical technology	6	22
Discounts	0	-2
Other	2,954	2,717
	39,032	32,784

External software maintenance/ hotline relates primarily to outside service providers to run the hotline service and costs for all external marketing.

21. Payroll costs

	2007 € 000	2006 € 000
Salaries	53,813	39,778
Employer social security costs	11,541	8,687
Pension costs — defined benefit plans	189	337
 defined contribution plans 	71	5
	65,614	48,807

2007 contributions to the statutory pension insurance amounted to €4,988,000 (2006: €3,171,000).

Employees

The average number of Group employees amounted to 1,527 (prior year: 1,010). Only salaried employees are included, not apprentices.

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22. Other operating expenses

Other operating expenses are broken down as follows:

	2007 € 000	2006 € 000
Administrative and selling costs	33,946	26,737
Bad-debt adjustments	707	1,076
Losses on disposal of fixed assets	101	307
	34,754	28,120
Breakdown of administrative and selling costs:		
Legal and consulting fees	5,040	3,589
Occupancy costs	4,600	4,057
Vehicle costs	3,422	2,504
Advertising	3,345	3,092
Travel expenses	2,532	2,088
Trade fairs	1,902	1,555
Office and business equipment	1,797	1,333
Telephone costs	1,285	1,154
Postage	1,011	949
Commissions	1,006	886
Other	8,006	5,530
	33,946	26,737

23. Writedowns

Please refer to the fixed assets table (Notes (1) and (2) of the Notes to the financial statements).

24. Writedowns on financial assets

Financial year 2007:

No items.

Financial year 2006:

• The 2006 charge relates to the expense from writing down UFC's €600,000 loan to third parties. There was no loan interest in 2006.

25. Results from affiliated companies

Breakdown:

Valuation under equity method:	31/12/2007 31/12/200 € 000 € 000	
D3P	37	0
Medigest	9	6
Technosante Nord-Picardie	4	0
HCS	-24	21
Fimesan	-26	-48
ITH	0	242
Medatis	0	-23
	0	198

ITH was sold during the year; there were no financial statements as at 31 December 2007 for Medatis.

26. Financial income and expenses

Interest income	31/12/2007 € 000	31/12/2006 € 000
Bank interest	1,936	226
Currency gains (early repayment of USD loan)	671	0
Other	187	61
	2,794	287

Financing expense	31/12/2007 € 000	31/12/2006 € 000
Bank interest	3,289	2,540
Loan origination fees	1,852	0
Compensation payments from loan agreements	1,250	0
Accrued interest from purchase price liabilities	555	0
Other interest expense	263	32
	7,209	2,572

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27. Taxes on income

Taxes on income are comprised as follows:

	2007 € 000	2006 € 000
Current taxes	-10,467	-13,053
Deferred taxes	10,284	4,620
	-183	-8,433

The transition from a nominal to an effective tax rate is shown below:

	2007		2006	
	€ 000	%	€ 000	%
Profit before taxes	23,022		19,825	
Nominal tax rate (38.5 %) — theoretical tax expense	8,863	38.5 %	7,633	38.5 %
2007 share-based incentive plan	-6,670	-29.0 %	0	0.0 %
Change in tax rate for deferred tax liabilities	-2,492	-10.8 %	0	0.0 %
Other and lower foreign tax rates	-981	-4.3 %	-546	-2.8 %
Tax reimbursement for prior years	-377	– 1.6 %	0	0.0 %
Tax-free income from the sale of equity interests	-298	-1.3 %	0	0.0 %
No tax revenue/expense for share-based incentive plan	-121	-0.5 %	472	2.4 %
Change in tax rate for deferred tax assets	1,462	6.4 %	0	0.0 %
Tepe loss – no tax savings	653	2.8 %	0	0.0 %
Non-deductible and other expenses	144	0.6 %	624	3.1 %
Special expense for internal audit	0	0.0 %	250	1.3 %
Effective tax expense	183	0.8 %	8,433	42.5 %

No taxes arose in connection with the discontinuation of business divisions. In addition, income tax expense does not include expenses or revenues from changes in accounting or valuation methods.

The consolidated average tax rate is 38.5%.

28. Earnings per share

	2007	2006
Earnings attributable to the shareholders of the parent company (€ 000)	23,032	11,731
Number of no-par value common shares	45,878,750	45,878,750
Own shares (number)	-532,350	-532,350
Basis (number) until 3 May 2007	45,346,400	45,346,400
Number of no-par value common shares	53,219,350	0
Own shares (number)	-532,350	0
Basis (number) starting 4 May 2007	52,687,000	0
Earnings per share (€)		
– undiluted	0,46	0,26
– diluted	0,46	0,26

Segment reporting

Primary segments (divisions)

See the chart in the Appendix to the Notes.

For operational reasons the Company is currently divided into three divisions: Integrated Health Provider Services (HPS); Health Connectivity Services (HCS); and Electronic Patient Services (EPS). The EPS division began operations in 2005. Primary segment reporting is based on these divisions.

Their main activities can be described as follows:

- **HPS** Development and sale of software solutions for physicians and dentists at their practices and hospitals
- **HCS** Networking of service providers (physicians, dentists and hospitals) with other important market participants in the health care sector such as sponsors, pharmaceutical companies and generic drug manufacturers
- **EPS** Products and services for covering the growing demand for health-related information for patients (electronic patient services)

Secondary segments (regions)

See the Appendix to the Notes.

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The segment information is based on the same disclosure and valuation methods as the consolidated financial statements. The business relations between the Group's segments are conducted at prices to which third parties have also agreed.

Other notes

Notes on the cash flow statement

The cash flow statement was prepared according to the indirect method (cash flows from operations). It shows how cash and cash equivalents have changed within the Company during the financial year. In accordance with IAS 7, cash flows are divided into cash flows from operations, investments, and financing.

Cash and cash equivalents

The cash and cash equivalents indicated in the cash flow statement (stock of instruments of payment as at the balance sheet date) total €32,635,000 (prior year: €10,437,000).

Present value of financial assets

Securities are valued on a present value basis. Equity interests are valued according to the equity method. The present value of other financial investments corresponds to their book value because the item primarily consists of loans at market interest rates.

Trade receivables, other receivables and tax receivables are valued at book value as at the balance sheet date. These receivables are non-interest-bearing and come due within a year. Due to their short-term maturities, the present value corresponds approximately to the book value. Foreign currency receivables are valued at the exchange rate as at the reporting date. Consequently, there is no essential difference between book value and present value arising from the currency.

Present value of financial liabilities

Long-term liabilities

Pension provisions are discounted at the indicated interest rates. Amounts owed to banks carry a variable interest rate. Purchase price liabilities are discounted at the market rate.

Due to the discounting of the above items at the effective market rate or based on the variable interest rate of amounts owed to banks, book values correspond approximately to present values as at the balance sheet date.

Short-term liabilities

As a rule, trade payables, provisions and other liabilities are not discounted. Due to their short-term maturities, the present value corresponds approximately to the book value. Foreign currency liabilities are valued at the exchange rate as at the reporting date. Consequently, there is no essential difference between book value and present value arising from the currency.

Amounts owed to banks carry a variable rate of interest. Purchase price liabilities are discounted at the market rate. Due to the discounting of the above items at the effective market rate, book values correspond approximately to present values as at the balance sheet date.

Overdue liabilities

Overdue trade payables are as follows:

	31/12/2007 31/12/2006 € 000 € 000	
Overdue by:		
0–3 months	9,292	8,041
4–6 months	51	10
7–12 months	110	32
> 12 months	159	121
	9,612	8,204

Writedowns on financial assets

No writedowns were reported with respect to equity interests. With respect to other financial investments (UCF loan to third parties), please see 2006 writedowns.

With respect to trade receivables, please see the valuation adjustment schedule.

No writedowns were reported with respect to other receivables and tax receivables.

Writedowns on financial liabilities

There were no writedowns in 2006 or 2007.

Net profits and losses from financial assets

With respect to valuation adjustments on trade receivables, please see the valuation adjustment schedule.

There were negligible net profits from securities and only negligible profit from interest on other financial investments.

Net profits and losses from financial liabilities

A currency gain of €671,000 from the early repayment of a USD loan is reported here. There were also loan origination fees (€1,852,000) and compensation payments from loan agreements (€1,250,000).

Credit risk

The financial assets of the Company primarily comprise bank deposits, trade receivables and other receivables and securities that represent the maximum risk to the Company from credit risk related to financial assets.

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The credit risk of the Company results primarily from trade receivables. The amounts indicated in the balance sheet are understood to include a valuation adjustment for presumably uncollectible receivables, reflecting Management's judgement based on previous experience and the current economic environment. In addition, the age of receivables is irrelevant (see trade receivables).

Credit risk is limited with liquid assets because they are held at banks to which international rating agencies have assigned a high credit rating.

The Company does not have any significant concentration of credit risk because this risk is distributed across a large number of contractual partners and customers. Therefore, the Company does not conduct risk management for credit risk.

Currency risk

Fluctuating exchange rates influence the market success and gross revenues of exporting companies. In 2007 about 30% of sales were achieved abroad; of that amount, however, 70% came from within the EU. The Company does not hedge possible risks from currency exchange rates.

The balance sheet includes the following items in foreign currency (Czech krona, Slovakian krona, Polish zloty, Turkish lira, and Swiss francs):

	Foreign currency in €000
Trade receivables	5,623
Tax and other receivables	522
	6,145
Trade liabilities	- 701
Other liabilities	-5,122
Tax liabilities	-182
	-6,005
Net position	140

The net item (receivable) amounts to €140,000 as at the balance sheet date. Consequently, a change in exchange rates would not have a significant impact on consolidated income.

Interest-rate risk

Currently, variable-rate loans are not hedged for interest-rate risk.

Other financial obligations and commitments

As at the balance sheet date, the Company had open obligations from operating leases that cannot be cancelled, maturing as follows:

	2007 €000	2006 €000
Within a year	7,141	3,547
Between two and five years	5,970	6,859
After five years	253	1,299
	13,364	11,705

Payments from operating lease relationships involve rent for office equipment and particularly rent for office buildings. Lease relationships are established for an average term of three years. The rents are fixed for three to seven years.

The Company has assumed a YTL 210,000 (€123,000) loan guarantee on behalf of Meteksan Sistem ve Bilgisayar Teknolojileri A.S. for Tepe A.S.

In the context of its business activities, Tepe A.S. participates in tender offers domestically and abroad and normally must pledge deposits in order to do so. In order to guarantee the deposits, CompuGROUP Holding AG maintains an account with €4 million at Fortis Bank (Turkey).

For existing rental agreements of the affiliated company Medistar Prexiscomputer GmbH with the real estate companies Friedrich und Jan Christoffer GbR and Geschwister Christoffer GbR, the Company has assumed a \leq 4,170,000 loan guarantee on behalf of the lessor.

There is a trial guarantee with respect to Volksbank Rhein-Lahn (Society to Protect Small Shareholders) in the amount of €6,000 and there is a trial guarantee for CompuGROUP Software GmbH (formerly Sysmed Entwicklung medizinischer Software GmbH) in the amount of €101,000.

There is an additional trial guarantee for the previously mentioned trial at Sparkasse Koblenz in the amount of €168,726.32 (originally DM 330,000). As a result of the legal dispute won in the meantime involving the trial guarantee, a payment is expected in 2008.

There are credit guarantees with respect to SEB AG for various French subsidiaries in the amount of €39,000. Furthermore, for the planned takeover of a British company, the shares of subsidiaries were pledged to SEB AG as security. These include shares of Medistar Praxiscomputer GmbH, TurboMed EDV GmbH, CompuGROUP CEE GmbH and Systema HIS Human Information Systems Gesellschaft m.b.H. Guarantees of various subsidiaries were also provided. SEB AG released the tendered securities and guarantees on 9 January 2008.

There is a guarantee with respect to Commerzbank in the amount of BGN 15,000 (converted as at 31 December 2007: €8,000. The guarantee serves as security for a deposit at the Ministry of Health of Bulgaria for participation in a tender offer in the health care sector.

There is also a prepayment bond in the amount of €507,000 for the advance payments of major customers of medi cine medienproduktions gmbh.

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On behalf of LGS Leasinggesellschaft der Sparkasse GmbH, the Company provided a comfort letter regarding the leases entered into with the affiliated company ISPro GmbH. The future payments from the leases amount to €71,000 for the monthly lease payments and €13,000 for the balloon payments that are to be paid at the end of the lease term.

With respect to VR-Leasing AG, the Company assumes joint liability for any debts related to any leases or service contracts with affiliated companies. As at the balance sheet date, the obligations from these contracts amounted to €1,010,000.

Transactions with associated parties

Legal services rendered for the Company with associated companies and individuals have been compensated according to reasonable commercial judgement.

The Gotthardt family, together with Dr. Koop, holds a total of 50.09% of the voting shares of CompuGROUP Holding AG. The total percentage results from two pool contracts that guarantee uniform exercise of voting rights.

In 2007, Frank Gotthardt (Chairman of the Management Board) received rental income of €662,000 (prior year: €662,000) from leasing various properties in Koblenz to CompuGROUP Holding AG . During the financial year, Dr. Daniel Gotthardt leased parking spaces to CompuGROUP Holding AG (€30,000; prior year: €30,000). In addition, Dr. Daniel Gotthardt has an equity interest, with a 6% share together with CompuGROUP Beteiligungsgesellschaft mbH, in Immo I GbR and Immo II GbR, respectively. In addition, INFOSOFT Information-und Dokumentationssysteme GmbH (of which Frank Gotthardt is a partner) loaned the Company €320,000.

Declaration of compliance with the German Corporate Governance Code

The declaration of compliance required by § 161 AktG was approved by the Management Board and the Supervisory Board and made accessible to shareholders on the Company's website (www.com- pugroup.de). Accordingly, the recommendations of the Government Commission on the German Corporate Governance Code will be implemented with a few exceptions.

Auditing fees according to § 314 Para. 1 No. 9 HGB

	€
Final audit	246,168
Other verification and consulting costs	574,129
Other services	714,000
	1,534,297

Other services involve the insurance premium from increasing the insurance amount in connection with the initial public offering (IPO). Other verification and consulting services include fees related to the IPO.

Events after the balance sheet date

Activities in the area of the referral portal

In February 2008, the Company's subsidiary ISPro GmbH, Hattingen, announced the conclusion of a groundbreaking contract. The HELIOS Kliniken Group has decided to implement the jesa-ja.net referral portal across the Company. Accordingly, HELIOS acute-care clinics will optimise their communications with practising physicians on the basis of this leading software product. According to ISPro GmbH, through its latest success jesa-ja.net has achieved a market share among referral portals in excess of 85 percent. The HELIOS Kliniken Group is part of Fresenius Medical Care. With 60 clinics of its own, 17,300 beds, 500,000 hospitalised patients and 700,000 ambulatory patients annually, HELIOS is one of Germany's leading hospital chains.

Share buyback program

On 23 January 2008, the Management Board of CompuGROUP Holding AG decided, in accordance with §71 Para. 1 No. 8 AktG, to take advantage of the authorisation granted by the annual meeting on 19 June 2007 to buy back shares. Altogether, up to 500,000 Company shares will be repurchased; this corresponds to about 0.94% of the current share capital. The purpose of the share buyback program is to use some or all of the repurchased shares to acquire companies, shares of companies or parts of companies. The shares are being repurchased exclusively via the Xetra trading system of Deutsche Börse AG (Frankfurt Stock Exchange). The buyback conforms to Art. 5 of Commission Regulation (EC) 2273/2003 of 22 December 2003.

The buyback began on 23 January 2008 and will end no later than 30 June 2008. The Management Board can prematurely terminate the buyback program at any time.

vita-X in Spain

In February, CompuGROUP achieved a significant success by setting up electronic patient records in Europe: The Spanish equity interest Medigest Consultores S.L. received a contract from the Chamber of Physicians Madrid (ICOMEM) to begin the electronic networking of more than 15,000 physicians using this solution. Thus, approximately one million patients will be provided vita-X health records and the CompuGROUP Cordoba networking solution. The Madrid region is the third -largest among Spain's 17 regions. The project can be expanded to other regions at any time.

Fliegel DATA

On 16 February 2008, the CompuGROUP subsidiary systema Deutschland GmbH concluded an agreement for the purchase of all shares of herbert dahm datensysteme GmbH, Düsseldorf, the purchase of an approximately 89% interest in Fliegel DATA GmbH, Höxter, and a purchase bid for the remaining 11% of the shares in Fliegel DATA GmbH. The acquisition of the specified shares is expected in the first quarter of 2008.

These companies will then become 100% subsidiaries of systema Deutschland GmbH.

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Fliegel DATA and herbert dahm together offer a complete hospital information system named fd-klinika for acute-care facilities and rehabilitation clinics. The system includes a laboratory information system, enterprise resource planning and a radiology information system (RIS).

Management Board and Supervisory Board

Management Board::	Job Held/Membership in the Supervisory Board and Other Supervisory Bodies
Frank Gotthardt	Chairman of the Management Board Member of the Supervisory Board of Rhein Massiv Verwaltung GmbH Supervisory Board Chairman of Vita-X AG
Dr. Erik Massmann	Chief Financial Officer Member of the Supervisory Board of Scill AG Member of the Supervisory Board of Vita-X AG
Jan Broer	Chief Networking Officer Member of the Supervisory Board of GTI Aktiengesellschaft für Informationstechnologien Member of the Supervisory Board of Vita-X AG
Uwe Eibich	Medical Information Systems Officer (from 1/1/2007)
Supervisory Board:	
Prof. Dr. Klaus Steffens	(Chairman) Businessman Member of the Supervisory Board of MTU Aero Engines Holding AG Member of the Advisory Board of Tyczak Totalgaz GmbH
Dr. Klaus Esser	(Deputy Chairman) Businessman Member of the Supervisory Board of Navigon AG Supervisory Board Chairman of TDS AG (until 31 January 2007) Supervisory Board Chairman of IXOS Software AG (Until 31 January 2007)
Prof. Dr. Rolf Hinz	Orthodontist in private practice Member of the Supervisory Board of Stadt-Marketing Herne GmbH
Dr. Daniel Gotthardt	Doctor
Ursula Keller	(Employee Representative) Training and Seminar Facilitator
	CompuGROUP Holding AG, Koblenz
Mathias Lange	(Employee Representative) Human Resources Assistant at CompuGROUP Holding AG, Koblenz

The total compensation of the Management Board is as follows:

	31/12/2007 €000	31/12/2006 €000
Fixed compensation	929	754
Variable compensation	1,075	751
Fringe benefits	12	5
Special stock option bonus	17,324	0
	19,340	1,510

As a special bonus in conjunction with the IPO, Dr. Massmann and Mr. Broer were each granted 375,455 bonus shares and Mr. Eibich was granted 211,546 bonus shares. The issue price per share at the time of the IPO was €18.00. In order to settle related payroll and church taxes (including the solidarity surcharge), Dr. Massmann sold 187,727 shares and Mr. Eibich sold 105,722 shares.

The total remuneration of the Supervisory Board amounted to €260,000 (prior year €132,000).

The remuneration report in the Group management report provides an individual breakdown of remuneration of the Management Board and Supervisory Board members.

Release from the disclosure requirement

All German incorporated companies with profit-transfer agreements take advantage of the release provision of § 264 Para. 3 HGB in order not to publish their annual financial statements. This affects the following companies:

- CompuGROUP Beteiligungsgesellschaft mbH, Koblenz
- Intermedix Deutschland GmbH, Koblenz
- CompuGROUP Software GmbH, Koblenz
- Z1 Software GmbH, Koblenz
- Medistar Praxiscomputer GmbH, Koblenz
- Systema Deutschland GmbH, Koblenz
- IfAp Service Institut für Ärzte und Apotheker GmbH, Martinsried

The following business partnerships take advantage of the release provision of § 264 HGB in order not to publish their annual financial statements:

- CompuMED Praxiscomputer GmbH & Co. KG, Koblenz
- CompuDENT Praxiscomputer GmbH & Co. KG, Koblenz

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- ChreMaSoft Datensysteme GmbH & Co. KG, Koblenz
- ALBIS Ärzteservice Product GmbH & Co. KG, Koblenz
- Data-Vital GmbH & Co. KG, Koblenz

Company registered office

CompuGROUP Holding AG has its registered office in Koblenz, Germany.

The address is:

Maria Trost 21 56070 Koblenz

Certification by the legal representatives

We certify that, to the best of our knowledge based on applicable accounting policies, the financial statements give a true and fair view of the Group's actual assets, financial situation and earnings. We furthermore certify that the Group management report gives a true and fair view of the business activities including the annual results and the condition of the Group, and that the inherent opportunities and risks for future development are explained.

Koblenz, 29 February 2008

CompuGROUP Holding Aktiengesellschaft

The Management Board

Frank Gotthardt

Dr. Erik Massmann

Jan Broe

Uwe Eibich

Equity investments 2007

	Tipdata	Gruber ÄDV 1)	medXpert 1)	
Purchase date	30/9/2007 €000	7/11/2007 €000	7/11/2007 €000	31/12/2007 €000
1) Assets I. Long-term assets	23.4	1,937.0	63.0	2,023.4
II. Short-term assets	471.6	421.0	197.0	1,089.6
2) Liabilities and shareholders' equity I. Equity	171.0	12.10	137.0	1,003.0
II. Long-term debt	0.0	0.0	115.0	115.0
III. Short-term debt	26.1	2,181.0	587.0	2,794.1
3) Company acquisitions	468.9	177.0	-442.0	203.9
Minority interest	-47.0	-71.0	0.0	-118.0
Purchase price allocation Balance, software	0.0	3,281.0	959.0	4,240.0
Balance, goodwill	0.0	1,868.0	0.0	1,868.0
Balance, customer relationships	0.0	1,020.0	0.0	1,020.0
Balance, loss carryforwards	0.0	0.0	156.0	156.0
Deferred tax liabilities for the balance	0.0	-1,075.0	240.0	-1,315.0
Balance, hidden charges	-192.9	0.0	0.0	-192.9
Other expenses	0.0	0.0	17.0	17.0
Purchase price	229.0	5,200.0	450.0	5,879.0
lt. allocation	229.0	5,200.0	450.0	5,879.0
4) Share of the acquired voting rights (%)	90.00	60.00	100.00	
5) Acquired cash	302.7	2.0	1.0	305.7
6) Result of first-time consolidation	-76	26	-8	-58
7) Result assuming no acquisition in the period 1.1.– 31.12.2007	174	220	-142	251
7a) Pro forma	250	194	-134	309
Depreciation write-back		121	32	153
8) Sales after first-time consolidation	61	595	269	925
9) 9) Sales assuming no acquisition in the period 1.1.– 31.12.2007	458	3,623	1,541	5,621
9a) Pro forma	396	3,028	1,272	4,696

The purchase price allocations for Tipdata, Gruber and medXpert are preliminary.

Description of the companies:

Tipdata:

Provider of hospital information systems for private clinics in Turkey. In addition, the company develops and sells software products and medical decision support systems for the target group of private specialised, family, and general practitioner physicians and dentists.

Gruber:

Developer of Windows-based physician information systems for all physician groups except for dentists in Austria.

medXpert:

Supplier of modular physician information systems for physician groups except for dentists in Austria.

1) Owing to different financial years, points 7), 8), 9), and 10) are based on mathematical estimates.

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Change in intangible and tangible assets 2007

		Purchase or manufacturing costs			
	1/1/2007 €000	Additions €000	Transfers €000	Disposals €000	31/12/2007 €000
Intangible assets					
Goodwill	71,529	5,166	0	-2,475	74,220
Software, licenses and other intangible assets	146,037	35,539	0	-14,942	166,634
Payments for software	220	286	0	-363	143
Self-produced software	8,177	5,134	0	0	13,311
	225,963	46,125	0	-17,780	254,308
Tangible assets					
Land and buildings	9,308	3,025	0	-1,672	10,661
Other assets, plant and office equipment	14,698	4,539	0	-5,251	13,986
	24,006	7,564	0	-6,923	24,647
	249,969	53,689	0	-24,703	278,955

Change in intangible and tangible assets 2006

		Purchase or manufacturing costs				
	1/1/2006 €000	Additions €000	Transfers €000	Disposals €000	31/12/2006 €000	
Intangible assets						
Goodwill	52,104	19,425	0	-	71,529	
Software, licenses and other intangible assets	111,924	34,721	0	-608	146,037	
Payments for software	0	220	0	0	220	
Self-produced software	3,471	4,706	0	0	8,177	
	167,499	59,072	0	-608	225,963	
Tangible assets						
Land and buildings	7,493	1,823	0	-8	9,308	
Other assets, plant and office equipment	12,135	3,018	0	-455	14,698	
	19,628	4,841	0	-463	24,006	
	187,127	63,913	0	-1,071	249,969	

Depreciation						
1/1/2007 €000	Additions €000	Transfers €000	Disposals €000	31/12/2007 €000		
5,400	0	0	0	5,400		
77,620	18,917	0	-14,698	81,839		
0	0	0	0	0		
271	1,170	0	0	1,441		
83,291	20,087	0	-14,698	88,680		
1,373	534	0	-59	1,848		
7,490	2,556	0	-5,000	5,046		
8,863	3,090	0	-5,059	6,894		
92,154	23,177	0	-19,757	95,574		

Book values				
31/12/2007 €000	31/12/2006 €000			
68,820	66,129			
84,795	68,417			
143	220			
11,870	7,906			
165,628	142,672			
8,813	7,935			
8,940	7,208			
17,753	15,143			
183,381	157,815			

Depreciation						
1/1/2006 €000	Additions €000	Transfers €000	Disposals €000	31/12/2006 €000		
5,400	0	0	-	5,400		
64,468	13,675	0	-523	77,620		
0	0	0	0	0		
0	271	0	0	271		
69,868	13,946	0	-523	83,291		
1,171	202	0	0	1,373		
6,008	1,689	0	-207	7,490		
7,179	1,891	0	-207	8,863		
77,047	15,837	0	-730	92,154		

Book values				
31/12/2006 €000	31. 12. 2005 €000			
66,129	46,704			
68,417	47,456			
220	0			
7,906	3,471			
142,672	97,631			
7,935	6,322			
7,208 15,143	6,127 12,449			
157,815	110,080			
.5.75.5	,			

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Segment report by business areas (primary)

	Integrate	Segment I: Integrated Health Provider Services (HPS)		Segment II: Health Connectivity Services (HCS)	
	2007 Jan–Dec	2006 Jan–Dec	2007 Jan–Dec	2006 Jan–Dec	
Sales to third parties	104,646	85,108	70,464	55,862	
Sales between segments	0	0	2,334	1,595	
Segment sales 1)	104,646	85,108	72,798	57,275	
EBITDA % of sales	22,674 <i>21.7</i>	15,141 <i>17.8</i>	37,480 <i>51.5</i>	28,978 <i>50.6</i>	
Depreciation of tangible assets	-1,738	-579	-845	-880	
Amortisation of intangible assets	-15,786	-10,745	-2,668	-1,904	
Impairment of financial assets	0	0	0	0	
EBIT	5,150	3,817	33,967	26,194	
Earnings from associated companies	-37	198	37	0	
Net interest	-	-	-	_	
EBT	-	-	-	_	
Corporation tax	-	-	-	-	
Group net profit for the year % of sales	- -	- -	- -	- -	
Consolidated net profit before depreciation	-	-	-	-	
Segment assets	210,624	182,122	51,122	69,517	
of which, associated companies	7,861	8,558	56	615	
Unassigned assets	-	-	-	_	
Group assets 2)	-	-	-	-	
Segment liabilities ³⁾	80,955	26,636	14,040	12,013	
Unassigned liabilities	-	-	_	-	
Group liabilities	_			_	
Miscellaneous: Capital expenditure	48,968	49,274	2,193	8,156	

Segment report by region (secondary)

	Germany		Aus	tria
	2007	2006	2007	2006
Sales 1)	129,396	113,937	23,222	6,561
Segment assets ²⁾	187,392	137,172	58,625	52,138
Capital expenditure 3)	6,621	16,700	15,011	45,742

Segmo Electronic Pa (EF	tient Services	Other and consolidation adjustments			GROUP idated
2007	2006	2007	2006	2007	2006
Jan-Dec	Jan–Dec	Jan–Dec	Jan–Dec	Jan–Dec	Jan–Dec
4,819	4,710	260	-5,563	180,189	140,117
405	0	-2,739	-1,595	0	0
5,224	4,710	-2,479	-6,973	180,189	140,117
-2,589	-3,550	-6,951	-2,220	50,614	38,349
_	-	_	-	28.1	27.4
-113	- 87	-394	-199	-3,090	-1,745
-1,535	-1,129	-98	-314	-20,087	-14,092
0	0	0	-600	0	-600
-4,237	-4,766	-7,443	-3,333	27,437	21,912
0	0	0	0	0	198
-	-	-	-	-4,415	-2,285
_	-	-	-	23,022	19,825
-	-	-	-	-183	-8,433
-	-	-	-	22,839	11,392
-	-	-	-	12.7	8.1
-	-	_	-	42,926	25,484
6,246	7,795	-8,648	-58,970	259,344	200,464
0	0	0	77	7,917	9,250
_	-	-	-	19,915	19,652
_	-	<u>-</u>	_	279,259	220,116
5,307	2,601	-49,039	-8,329	51,263	32,921
-	-	-	-	29,980	128,120
-	-	-	-	81,243	161,041
1,099	5,341	1,429	1,142	53,689	63,913

- 1) Total sales (without changes in inventories, own work capitalised and other operating income).
- 2) Long-term and short-term assets (without deferred taxes and financial assets)
- 3) Without amounts owed to financial institutions, tax liabilities, investment grants, purchase price liabilities, pension provisions, and deferred taxes

Other co	Other countries		onsolidation ments		GROUP lidated
2007	2006	2007 2006		2007	2006
30,882	19,619	-3,311	0	180,189	140,117
59,744	28,307	-46,417	-17,154	259,344	200,464
32,056	759	0	712	53,689	63,913

- Total sales (without changes in inventories, own work capitalised and other operating income)
- 2) Long-term (A) and short-term assets (B), without deferred taxes and financial assets
- 3) Addition to intangible and tangible

► Consolidated Notes for the 2007 Financial Year

2007 Group Management Report

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Equity investments 2007

All amounts stated in euros and in accordance with local national laws

Company name		Registered office	Equity interest/ voting rights	Equity	Earnings
			in %		:
	ect and indirect subsidiaries				
1	CompuMED Praxiscomputer Verwaltungs-GmbH	Koblenz	100.0	52,901.36	3,562.56
2	CompuMED Praxiscomputer GmbH & Co. KG	Koblenz	100.0	5,557,904.32	1,002,858.08
3	CompuDENT Praxiscomputer		.55.5	5/55//5552	.,002,000.00
_	Verwaltungs-GmbH	Koblenz	100.0	64,374.18	4,942.14
4	CompuDENT Praxiscomputer GmbH & Co. KG	Koblenz	100.0	1,005,845.65	2,318,865.33
5	ChreMaSoft Datensysteme Verwaltungs-GmbH	Koblenz	100.0	13,988.31	1,254.90
6	ChreMaSoft Datensysteme GmbH & Co. KG	Koblenz	100.0	1,922,246.18	701,373.89
7	ALBIS Product Verwaltungs-GmbH	Koblenz	100.0	46,359.28	2,850.09
8	ALBIS Ärzteservice Product GmbH & Co. KG	Koblenz	100.0	25,564.59	2,820,278.77
9	Data-Vital Verwaltungs-GmbH	Koblenz	100.0	39,344.80	2,254.16
10	Data-Vital GmbH & Co. KG	Koblenz	100.0	2,051,640.48	836,208.50
11	CompuGROUP Beteiligungsgesellschaft mbH	Koblenz	100.0	21,348,635.88	-597,635.38
12	Intermedix Deutschland GmbH 1)	Koblenz	100.0	2,719,604.22	1,539,961.73
13	CompuGROUP Software GmbH 2)	Koblenz	100.0	9,077,495.58	7,042,095.72
14	Z1 Software GmbH	Koblenz	100.0	1,825,876.15	1,533,326.98
15	MediStar Praxiscomputer GmbH	Hannover	100.0	5,244,149.36	11,506,480.04
16	Telemed Online Service für Heilberufe GmbH	Koblenz	100.0	2,322,125.81	755,962.72
17	CompuGROUP Services GmbH	Koblenz	100.0	1,909,296.57	593,530.50
18	vita-X AG	Koblenz	100.0	-3,568,904.88	-3,463,319.55
19	Systema Deutschland GmbH	Koblenz	100.0	320,542.51	-2,043,689.54
20	DIALOG MIS spol. s.r.o.	Prag	100.0	536,701.65	520,445.17
21	Le Reseau Sante Sociale SAS	Rueil-Malmaison	100.0	-1,293,260.82	-274,031.18
22	Medisoft International spol. s.r.o.	Prag	100.0	114,977.48	162,712.51
23	AXILOG S.A. 5)	Montpellier	100.0	958,860.36	827,964.77
24	Intermedix France S.a.r.l. 5)	Rueil-Malmaison	100.0	-574,710.38	-148,173.49
25	Med-IT AG ³⁾	Rapperswill	100.0	-35,070.41	-7,394.51
26	AxiService Nice S.a.r.l. 5)	Nice	100.0	-212,963.82	-11,231.92
27	lfAp Service Institut für Ärzte und Apotheker GmbH	Martinsried	100.0	7,929,673.96	5,055,329.87
28	ISPro GmbH Gesellschaft für Realisierung und Beratung von Kommunikations- und Informationstechnologien	Hattingen	100.0	-1,163,810.19	-543,228.54
29	CompuGROUP CEE GmbH	Wien	100.0	-1,587,138.38	-1,231,320.96
30	Systema HIS Human Information Systems Gesellschaft mbH ⁶⁾	Steyr	100.0	7,847,006.20	3,650,872.35

Со	mpany name	Registered office	Equity interest/ voting rights	Equity	Earnings
			in %		
31	Novacom Gesellschaft für EDV-Anwendungen				
	im Gesundheitswesen mbH ⁹⁾	Kaarst	100.0	659,299.91	447,234.94
32	CCHC Competence Center Healthcare GmbH ⁹⁾	Steyr	100.0	508.63	-51,969.17
33	AESCU DATA Gesellschaft für Datenverarbeitung mbH ¹⁰⁾	Steyr	100.0	121,401.15	10,345.27
34	Technosante S.A.S. 5)	Rueil-Malmaison	100.0	-23,846.79	-19,872.17
35	Intermedix Tschechien 13)	Prag	100.0	25,695.06	19,767.67
36	CompuGROUP vita X s.r.o. 13)	Prag	100.0	-3,568,904.88	-3,463,319.55
37	CompuGROUP CZ & SK s.r.o. 3)	Prag	100.0	173,112.64	138,248.60
38	SMS Slovakia spol. s.r.o. 14)	Bratislava	100.0	242,601.16	195,028.65
39	Unicomputer Software GmbH 3)	Koblenz	100.0	39,459.23	-58,853.70
40	GiV Gesellschaft für angewandte integrierte Versorgungsformen GmbH	Koblenz	100.0	-1,101,574.50	-1,061,611.54
41	mediTREND GmbH ³⁾	Koblenz	100.0	18,234.62	-3,660.75
42	Intermedix Italien 3)	Mailand	100.0	-16,107.90	-26,107.90
43	MedicalNet SAS 5)	Montpellier	100.0	1,420,575.07	-579,424.93
44	medXpert GmbH ⁶⁾	Wien	100.0	-455,798.25	-8,254.60
45	Intermedix Spanien s.r.l.	Madrid	100.0	3,100.00	not yet trading
46	TurboMed EDV GmbH	Molfsee	99.0	1,438,729.02	5,407,745.18
47	Immo1 GbR ³⁾	Koblenz	94.0	-4,514.85	113.80
48	Immo 2 Gbr 3)	Koblenz	94.0	49,614.75	-385.25
49	IfAp Institut für Unternehmensberatung und Wirtschaftsdienste im Gesundheitswesen GmbH ⁷⁾	Neu-Golm	93.0	-385,623.43	84,718.08
50	Tipdata Bilgi Islem Sistemleri Danismanlik ve Ticaret Limited Sirketi ³⁾	Istanbul	90.0	726,360.13	-74,595.61
51	Tepe International Sağlık Bilgi Sistemleri A.Ş. ⁵⁾	Ankara	89.0	25,250,893.49	-1,206,389.98
52	UHC Sp.z.o.o.	Lublin	86.7	1,111,492.69	348,852.72
53	AxiService Grenoble S.a.r.l. 5)	Grenoble	80.0	-69,257.66	3,603.60
54	GTI Aktiengesellschaft für Informationstechnologien ³⁾	Koblenz	80.0	-91,295.36	473,945.08
55	SMS spol. s.r.o. ⁸⁾	Brno	80.0	1,638,728.65	49,489.91
56	medi cine medienproduktions gmbh ³⁾	Mainz	78.9	393,179.57	23,419.59
57	Gruber Ärztliche Datenverarbeitung GmbH ⁶⁾	Enns	75.0	203,252.97	26,107.25
58	UCF Holding S.a.r.l. ³⁾	Luxemburg	74.9	12,374,776.26	-54,778.55
59	Technosante S.A.S. 5)	Lyon	60.0	-11,744.50	4,685.50

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Company name	Registered office	Equity interest/ voting rights	Equity	Earnings
		in %		
60 AESCU DATA Gesellschaft für Datenverarbeitung mbH ⁹⁾	Winsen	51.0	1,336,102.11	619,720.08
Associated companies				
61 D3P SAS ¹²⁾	Rueil-Malmaison	50.0	87,939.53	74,578.27
62 HCS Health Communication Service Gesellschaft m.b.H. ⁹⁾	Altlengbach	50.0	61,302.54	-48,697.47
63 Medigest Consultores, S.L.	Madrid	49.0	88,283.55	18,573.99
64 Fimesan S.p.A. 3)	Molfetta	33.3	4 422 E21 70	70 101 02
65 DATASUN S.r.l. 11)	Molfetta	90.0	4,433,521.70	-78,191.83
66 Medatis Medizinische Daten- und Informationssoftware AG ⁴⁾	Neu-Ulm	33.0	No information	
67 Technosante Nord-Picardie SAS ²¹⁾	Lille	20.0	59,663.00	19,663.00
Other equity investments				
68 Technosante Toulouse S.A.S. 5)	Toulouse	10.0	No information	
69 ic med EDV-Systemlösungen für die Medizin GmbH ³⁾	Halle	10.0	No information	
70 AES Ärzteservice Schwaben GmbH ³⁾	Bad Wimpfen	10.0	No information	
71 Erudis s.r.o. ⁸⁾	Bratislava	10.0	No information	
72 BFL Gesellschaft des Bürofachhandels mbH & Co. KG ³⁾	Eschborn	< 1.0	No information	

- 1) Subsidiary of CompuDENT Praxiscomputer GmbH & Co KG
- Subsidiary of CompuMED Praxiscomputer GmbH & Co KG
 Subsidiary of CompuGROUP Beteiligungs GmbH
- 4) Subsidiary of TurboMed EDV GmbH
- 5) Subsidiary of UCF Holding S.a.r.l
- 6) Subsidiary of CompuGROUP CEE GmbH
- 7) Subsidiary of IfAp Service Institut für Ärzte und Apotheker GmbH
- 8) Subsidiary of CompuGROUP CZ & SK s.r.o.
- 9) Subsidiary of Systema HIS Human Information Systems Gesellschaft m.b.H.
- 10) Subsidiary of AESCU DATA Gesellschaft für Datenverarbeitung mbH
- 11) Subsidiary of Fimesan S.p.A.12) Subsidiary of Le Reseau Sante Sociale SAS
- 13) Subsidiary of vita-X AG und Diaolog MIS spol. s.r.o.
- 14) Subsidiary of SMS spol. s.r.o.
- 15) with 1% subsidiary of CompuGROUP Beteiligungs GmbH
- 16) Subsidiary of UCF Holding S.a.r.l. with different fiscal year ending 06/30

2007 Group Management Report for CompuGROUP Holding AG

With its direct and indirect equity stakes in Germany and abroad, CompuGROUP Holding is a leading service provider in the area of software and connectivity solutions for the healthcare markets in Germany, Europe, and the Middle East. The operations of CompuGROUP are assumed by the individual companies of the group.

The core business includes the preparation, delivery, and service in the following businesses:

- Doctor's information systems for doctor's and dentist's offices
- Hospital information systems
- Communications services
- Workflow solutions and services for doctors, doctor's networks, medical care facilities, hospitals, health insurances companies, and pharmaceutical companies
- Decision support systems for the support of medical therapy
- Web-based electronic patient records.

Based on about 20 years experience in the eHealth market, the internationally focused group has emerged as the leading provider of IT solutions in the healthcare business. The products on offer foster effective communication, cost-efficient organisation, secure documentation and quality assurance in the healthcare business.

The focus of every healthcare business is the patients, doctors and dentists. CompuGROUP supports them via its presence in nine European countries, i.e. Germany, France, Italy, Austria, Poland, Slovakia, Spain, Czech Republic and Turkey with up to 50% market share in each. As such, CompuGROUP plays a leading role in the development of European eHealth solutions. Throughout Europe, CompuGROUP – based on internal calculations – has approximately 190,000 customers with service contracts, thereby reaching some 290,000 doctors, dentists, clinics and other healthcare service providers.

Economic Conditions

Overall economic situation

The overall economic situation in Germany during 2007 can be assessed as extremely buoyant. The real gross domestic product in the Federal Republic of Germany increased by 2.5% in 2007 (Source: Destatis (German Federal Statistical Office) vs. the preceding year. Particularly exports continued to soar and thereby provided critical momentum for economic growth.

During 2007, bolstered by the strong economy, conditions on the job market eased significantly. Software companies were also able to report an increase in employees. Overall, the software industry took advantage of the booming economy leading to a sharp increase in sales.

2007 Group Management Report

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Another indication of the upbeat year in terms of economic data was the increasing capital expenditure of companies. An example of this phenomenon, we refer to a report IDC Central Europe GmbH, which provides IT market comments on the topic "EU Enlargement". The report focused on the development of IT markets in the ten new EU member states for the period from 2004 to 2013.

Following the report, the IDC concluded that the countries, which joined the EU in 2004, are also the most promising markets for the future. Based on the IDC's calculations, the total additional potential spending on IT infrastructure, software, and services will be \$27.6 billion as a result of joining the EU.

IT and software sector

The total market for software solutions and IT services in Europe's healthcare sector currently has a total expenditure of some €6.9 billion p.a. as per market estimates. The average annual growth rate is around 9%. The company expects the total market volume to grow to some €8.6 billion p.a. by the year 2010.

Compared to other European markets, Germany has a large number of general practitioners and dentists. Due to new doctor's offices and the adoption of new IT systems, however, the market continues to be buoyed by constant underlying demand for doctor's information systems and connectable software solutions. Furthermore, the numerous changes in the regulatory environment, particularly in invoicing systems, make continuous supplements and updates of the software solutions a requirement as part of ongoing customer service.

We observe an increasing interest in the health insurance sector with respect to eHealth. According to results from the "Monitoring eHealth Germany 2007" survey performed by the public relations and marketing research company Wegweiser GmbH, Berlin and the Federation of German Industry (BDI), Berlin, 61% of the surveyed health insurance companies in Germany already pursue an eHealth strategy, up 20% vs. 2006. Over 50% of surveyed companies gave a period of one to four years for the implementation of the strategies.

In the clinic market, the estimated total volume of the European market in 2007 amounted to almost €3.6 billion. According to relevant studies a total market volume of €4.9 billion is expected by 2010 (Source: Frost & Sullivan 2004; converted from USD to EUR). The "Monitoring eHealth Germany 2007" survey illustrates the increasing market volume in the clinic segment and offers revealing insights. For example, the current IT budget is around 2% of the annual budget according to information provided by the surveyed companies, and will surge in the next few years.

Business Development in 2007

In January 2007 our Austrian subsidiary Systema Human Information Systems GmbH was awarded a major contract from the state clinics of Lower Austria as one of two syndicate partners.

The state clinics in Lower Austria comprise 27 hospitals at 24 sites. The clinics have around 7,000 beds and approximately 14,000 employees. The contract includes the set-up of a SAP solution for all required business management tasks, for the purchase and logistics department, as well as for patient management and patient accounting.

- In May 2007 CompuGROUP Holding AG completed the planned IPO when it was listed on the Frankfurt Stock Exchange (Prime Standard). The shares have been traded on the official market (Prime Standard) since 4 May 2007. IPO costs amounted to around €7.9m including expenses from 2006. The net proceeds of the issue amounted to around €125m. The listing created new opportunities and possibilities to boost the Group's market position and develop new markets.
- As part of the IPO, the Company's share capital increased by €7,340,600 from €45,878,750 to €53,219,350 through a rights issue and capital increase for cash consideration from authorised share capital, which was decided by the Management Board and approved by the Supervisory Board. The share capital is divided into 53,219,350 bearer shares investment securities number 543730 (ISIN: DE000547305).
- Further success came when our subsidiary UHC Sp.z o.o, Lublin, Poland, managed to win a major contract. UHC provides hospital information systems and was awarded the contract to set up the complete IT systems for the paediatric department of the university clinic in Warsaw. In the future, almost 500 users will work with UHC's innovative software solution in the 560 bed hospital.
- In May 2007, a new company was established in France. Medical Net SAS with registered office in Montpellier is now able to offer the doctor's information software solution also named Medical Net, which is based on state of the art internet technology (ASP technology) on the French market. The unique feature of the system is that it can be retrieved from the customer's internet browser and therefore no installation on the doctor's PC is required. Doctors may therefore access their system anytime from anywhere.
- On 20 July 2007, CompuGROUP issued a recommended cash bid to purchase the entire share capital of iSOFT Group plc. The value of the cash bid was 66 pence per iSOFT share amounting to a total of some £160 million (approximately €238 million). In August, CompuGROUP announced it would not raise the cash bid issued on 20 July 2007. The Company reserved the right to raise the submitted offer, if a third party (excluding IBA Health Limited or an affiliated company) announced a bid for iSOFT. The expenses in connection with the intended takeover amount to around €3.2 million. These expenses largely relate to external lawyers' fees and the cancellation and non-drawing of credits in connection with the bid.
- In September, the Company purchased another additional equity investment in Slovakia when it acquired an initial 10% stake in Slovakian eHealth provider ERUDIS s.r.o., while securing an option for the purchase of an additional 70% in which it can exercise as from 2009.

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2007 Group Management Report

CompuGROUP also purchased a 90% equity stake in Tipdata with registered office in Ankara, Turkey in September. Tipdata is a leading provider of hospital information systems for private clinics. In the future, CompuGROUP plans to serve the emerging high-growth market for general practitioners in Turkey via Tipdata. The purchase price for this equity stake amounted to 400,000 Turkish lira.

A further major order in Austria was awarded to Systema Human Information Systems GmbH, Steyr, by Oberösterreichische Gesundheits- und Spitals-AG, the largest hospital operator in Upper Austria. Systema will equip eleven hospitals with new, efficiency -enhancing software solutions. The total contract volume amounts to over €7 million. With a market share of around 44%, Oberösterreichische Gesundheits- und Spitals-AG is the market leader among hospital operators in Upper Austria. As well as eight general hospitals at 14 sites, it operates two psychiatric clinics, as well as a women's and children's hospital with around 9,000 employees.

In October, CompuGROUP was able to report an additional success for one of its innovative products in the healthcare medical insurance business: Techniker Krankenkasse has extended the contract until 31 December 2008 for use with the Verax-list, a software solution, to combat insurance fraud.

Furthermore, an important pilot project was started in North Rhine-Westphalia for enhanced efficiency based on electronic communication in the healthcare industry. Under the project, general practitioners test sending electronic doctor's letters including their signature with the healthcare profession label. Our project partners are Kassenärztliche Vereinigung Nordrhein und Westfalen-Lippe, as well as the respective state medical associations.

Systema Holding GmbH changed its name to CompuGROUP CEE GmbH, Vienna, which will enable a broad range of services to the eHealth high-growth markets in Austria, Switzerland, Hungary, Rumania, Bulgaria, Serbia, Montenegro, Bosnia, Croatia, Slovenia, and Greece. As a complete eHealth provider with innovative software products, the new company serves all parties involved in health care.

At the AOK Hessen, the pilot project "AOK aktiv + vital" was introduced with a completely new healthcare concept in selected regions of Hessen. This involves new innovative integrated forms of healthcare that are processed via doctor's information systems. For this purpose, CompuGROUP has founded "Gesellschaft für angewandte integrierte Versorgungsformen mbH (GIV)" with the key functions medical path development, decision support, disease management, case management, benchmarking, and financial settlement. In addition to the technical implementation, the inclusion – in terms of suitability for daily use and contents – of current medical guidelines, the definition of clear target criteria, the close involvement of patients and a compensation scheme adapted to healthcare results of participating doctors, is a new direction for the company. Starting with the major widespread disease diabetes type 2, indication related, comprehensive treatment paths developed by experts are made available.

In October 2007, Dresdner Bank and CompuGROUP announced an alliance in conjunction with the bank focusing on doctors as a target group. Under the project, Dresdner Bank will utilise CompuGROUP Germany's doctor's information systems as a communications platform. The cooperation provides for regular supply of financial information to doctors. In addition, doctors will be provided with comprehensive information about Dresdner Bank's financial services, specifically customised for the target group. An additional goal is the joint development of new financial services offers between the partners.

The Company significantly expanded its presence in the Austrian healthcare market for doctor's information systems by purchasing a 60% equity stake in Gruber Ärztliche Datenverarbeitung GmbH, Enns, a producer of doctor's information systems (with an option for the remaining 40%) and ACP IT Solutions GmbH, Innsbruck, also a doctor's information systems provider. Following the takeovers, CompuGROUP in Austria together with the hospital information system producer Systema Human Information Systems GmbH, and HCS Human Communication Service GmbH is represented by four suppliers in Austria. Since then, ACP IT Solutions GmbH has been renamed medXpert GmbH. The purchase price for the equity stake in Gruber ÄDV GmbH amounted to €4.2 million, plus a variable purchase price component. The purchase price for the acquisition of ACP IT Solutions GmbH (medXpert GmbH) amounted to €1.7 million including €1.3 million for separately purchased trademark licenses.

In October 2007, the trade show Medica also proved a success for CompuGROUP's product and services presentation. The German producers of doctor's information systems were able to win more than 300 new customers at the worldwide largest trade show in the healthcare business in Düsseldorf. Moreover, numerous customers took advantage of the opportunity to enquire about new versions or upgrades of their doctor's information system, as well as the latest solutions in connectivity.

In the Czech Republic an mpa solution (medical process assist) was fully introduced at the end of the year after only a few months in the regional hospital Jicin. The regional hospital Jicin is the only emergency hospital in the district. With a capacity of 541 beds, the clinic supports a catchment area of approximately 100,000 population.

➤ 2007 Group Management Report

COMPUGROUP

Earnings, financial situation and segment reporting

5 year overview

Earnings

Group EBITDA increased by €12.26 million to €50.61 million compared to 2006.

Significant Items	2007 Million €	2006 Million €	2005 Million €	2004 Million €	2003 Million €
Group sales	180.19	140.12	115.96	87.42	68.81
Own work capitalised	5.13	4.71	3.96	0.00	0.00
Other operating income	4.69	3.24	3.77	3.64	2.25
Expenses for goods and services					
received	39.03	32.78	26.34	16.80	16.25
Personnel costs	65.61	48.81	37.24	26.35	22.13
Other operating expenses	34.75	28.12	20.30	16.76	14.89
EBITDA	50.61	38.35	39.81	30.53	17.78
in %	28.09	27.37	34.33	34.92	25.84
EBIT	27.44	21.91	26.76	19.08	7.98
in %	15.23	15.64	23.08	21.83	11.60
EBT	23.02	19.83	24.67	16.92	6.30
in %	12.78	14.15	21.27	19.35	9.16
Group net profit for the year	22.84	11.39	15.39	10.02	1.30
in %	12.68	8.13	13.27	11.46	1.89
Cashflows					
From operations	25.19	16.50	24.06	22.51	14.73
From investment activities	-48.43	-57.29	-9.29	-19.31	-79.03
From financing activities	45.44	43.65	-12.51	-1.60	64.58
Investments	53.68	63.91	10.86	34.95	57.92
In intangible assets	40.99	54.36	3.27	29.15	52.34
In self-produced software	5.13	4.71	3.47	0.00	0.00
In tangible assets	7.56	4.84	4.12	5.80	5.58
Depreciation and amortisations	23.18	15.84	12.82	11.45	9.80
On intangible assets*	18.92	13.68	11.27	10.77	9.17
On self-produced software	1.17	0.27	0.00	0.00	0.00
On tangible assets	3.09	1.89	1.55	0.68	0.63
Equity	198.02	59.08	44.98	28.87	16.95
in %	70.91	26.84	31.95	20.98	17.54
Total assets	279.26	220.12	140.77	137.60	96.62

^{*} Predominantly from company acquisitions

2007, 2006, 2005 and 2004 are based on IFRS (International Financial Reporting Standards); 2003 is based on German accounting (HGB).

- 2007 Group sales amounted to €180.19 million, up €40.07 million over 2006. The sales were generated by a total of 1,692 employees at various domestic and international sites (headcount as at 31 December 2007). The increase was caused in part by organic growth, but also boosted by revenues from company acquisitions made in 2007 with effect from the acquisition date (particularly Tepe €5.72 million). 2007 sales were also boosted by the inclusion of 12 months of sales in respect of acquisitions made in 2006, which were only included for part of the year in 2006. For example, Austrian-based Systema Human Information Systems GmbH has a significant impact (2007: €21.24 million; 2006: €5.74 million). In addition, aescudata Deutschland GmbH, GTI AG, and the two "SMS companies" in the Czech Republic and Slovakia increased sales.
- Expenses for goods and services received increased by €6.25 million, up 19.06% vs. 2006.
 This percentage increase compares to a 28.60% sales increase over the previous year. As such, the gross margin on sales improved.
- The €16.80 million increase in personnel costs is due to the fact that the number of employees grew by 371 employees in 2007. Furthermore, 2007 personnel costs include 12 months of personnel costs of companies acquired in 2006, which were only included for the time since acquisition in 2006. A particular reason for the increase is the €7.85m higher personnel costs of Systema Human Information Systems GmbH. The €2.41 million personnel costs of Tepe, which has been consolidated since January 2007, are also included in this line.
- Other operating expenses increased by €6.63 million.

Based on the €12.26 million higher EBITDA (€50.61 million; prior year: €38.35 million) and €7.34 million higher depreciation/amortisation of intangible and tangible assets compared to 2006, EBIT came in at €27.44 million (prior year €21.91 million), up €5.53 million. The increase in depreciation/amortisation results from the purchase price allocations and resulting increases in asset values (intangible assets – software, customer relationships, and trademark licenses) which were only partially included in 2006 for the period since acquisition. The Tepe "asset deal" concluded at the beginning of 2007 also contributed to the increase.

Net financial items for the year are increased by €3.1 million due to loan arrangement fees and compensation on loan agreements.

Group profits for the year doubled vs. the prior year (2007: €22.84 million; prior year: €11.39 million). In addition to the improved operating profit, positive exceptional income also had an impact on Group profits for the year. The low tax rate is largely due to exceptional tax income and the revenue resulting from the share-based scheme for Management Board members are primarily the decisive factors for.

Financial situation

Cash management is mainly carried out by central accounting located in Koblenz by means of a cash management system. The funding requirements of the group operations are not completely covered by the cashflow from operating businesses. The completed company

▶ 2007 Group Management Report

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acquisitions were funded from own funds that were primarily boosted by the IPO conducted in 2007.

Cash and cash equivalents increased by €22.20 million vs. the prior year.

Cashflows from operating activities (2007: €25.19 million; prior year: €16.50 million) are our primary source of funds and indicate the Company's capacity to generate cash for financing capital expenditure and distribute dividends. The operating activities are predominantly service maintenance contracts with healthcare service providers, who guarantee stable transaction volumes. In addition, cash is generated by individual contracts with health insurance companies and industrial companies on an ad-hoc basis. The €11.45 million increase in Group profits for the year made a significant contribution to the improvement in cashflow from operating activities.

The non-cash depreciation/amortisation of intangible and tangible assets of €23.18 million was offset by the following changes:

- Change in provisions of €-3.27 million
- Change in deferred taxes of €–8.33 million
- Change in tax receivables of €-5.04 million
- Change in other receivables of €–3.37 million

Cashflow from investment activities improved by €8.86 million. The change in payments to purchase intangible assets relates primarily to intangible assets acquired via an asset deal for the establishment of Tepe International Health Information Systems A.S., Ankara.

Cashflow from financing activities improved by €1.79 million vs. 2006. The major improvement is largely due to the Company's successful IPO, which led to proceeds of €132.21 million for the Company. Furthermore, the principal shareholders contributed funds of €9.0 million and cash of €17.33 million was paid for the share-based special bonus granted to Management Board members and there were expenses of €7.91 million mainly attributable to the IPO.

The cash flow generated was used to repay loans, which consumed €80.97 million in cash outflows.

Based on cash held and the ongoing sound operating situation, the Company's solvency is sustainably assured.

Assets

The most significant item under assets is intangible assets (€165.63 million; prior year €142.67 million). Accounting for 59.3% of the balance sheet total (prior year 64.8%) intangible assets largely represent increases in value identified in the context of purchase price allocations (software, customer relationships, trademark licenses, and goodwill) from company acquisitions. The absolute increase compared to 31 December 2006 is due to the acquisi-

tions/purchase price allocations made during the year (mainly Tepe and Gruber Ärztliche Datenverarbeitung GmbH). As at every balance sheet date, the valuations of goodwill are reviewed by means of periodical impairment tests by comparing the book values of the units underlying the goodwill (so-called "cash generating units") with their realisable values.

The €22.20 million increase in cash and cash equivalents results from the proceeds of the IPO conducted early May 2007. Most past loans were repaid The remaining surplus cash was invested by various Group companies in short-term non-speculative investments. The purchase price of company acquisitions during the year were financed by own funds

The decrease in deferred tax liabilities (€15.28 million; prior year €24.63 million) is mainly due to depreciation/amortisation on the increased asset values in the context of purchase price allocations, as well as a tax rate change in Germany.

The equity ratio increased by 26.84% to 70.91% vs. the prior year due to the €7,340,600 capital increase (i.e. 7,340,600 bearer shares) at an issue price of €18.00 per share conducted in the context of the initial public offering. In addition, major shareholders paid in capital of €9.0 million which was posted to reserves. Furthermore, Group profit for the year amounted to €22.84 million. On the other hand, IPO expenses (after taxes) and the share-based special bonus scheme of participating members of the Management Board had a negative impact on equity.

With respect to the decrease in liabilities to financial institutions see our notes in the section "Financial Situation".

Segment Reporting

Segment I (HPS) posted €19.54 million higher sales at €104.65 million during 2007 (prior year €85.11 million) and a €7.53 million increase in EBITDA at €22.67 million vs. the prior year (€15.14 million). This can partially be attributed to the first-time consolidation of Tepe and Systema over a full year. Furthermore, the broad customer base is an important factor for the constant increase in sales over several years; this provides CompuGROUP with a high degree of stability in their planning.

Segment II (HCS) reveals a €15.53 million increase in sales to €72.80 million (prior year: €57.27 million) EBITDA in this segment increased by €8.50 million to €37.48 million (prior year: €28.98 million), largely due to increasing interest in comprehensive connectivity solutions from service providers in the healthcare industry. As forecast last year, the Company saw continuing growth of interest in decision support systems in the target group at Medica 2007. Business with industry and medical insurance entities in the healthcare sector remain the core areas of segment II.

Segment III (EPS) 2007 sales of €5.22 million relates to revenues generated by Medicine Medienproduktions GmbH.

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Non-financial performance Indicators

Our employees made a significant contribution to the success of CompuGROUP in financial year 2007. Their competence, friendliness and readiness to serve significantly help to make CompuGROUP stand apart from its competitors. Key employee figures within the group include the number of employees, the staff turnover rate, and the qualification budget. Furthermore, every year we prepare employee satisfaction data in relation to their personal jobs.

An additional and significant component is the efficiency of internal procedures. In this respect, a continuously high degree of performance of our products is ensured by means of defined service levels and technical key figures. This high product performance standard is necessary to offer our customers optimal quality.

CompuGROUP places a high value on customer-related performance indicators. In addition to the customer count we also capture the number of our products in this context. This allows for important conclusions regarding the acceptance and popularity of our product offer.

This gives us the opportunity to determine, which modules of our core products our customers prefer. Furthermore, we place a high value on key numbers for customer satisfaction which are mostly recorded and processed by our dedicated hotline team.

Remuneration for Management Board and Supervisory Board members

The CompuGROUP remuneration report sets forth the principles for determining the remuneration for Management Board and Supervisory Board, members as well as the amounts and structure.

Management Board remuneration

The total remuneration for members of the Management Board is comprised of fixed pay, and a performance-based component. The level of remuneration is largely based on the responsibilities of the respective member of the Management Board, his personal performance, and the financial situation of the Company. Other key criteria in determining the remuneration include the success and the future prospects of the Company in the relevant business sector. The fixed pay consists of fixed salary and fringe benefits, the performance-based components consist of a management bonus.

The fixed salary is paid monthly as a base salary with no performance element. In addition, members of the Management Board receive benefits in kind consisting primarily of a company car. As component of the compensation package, the use of the company car has to be taxed by the respective member of the Management Board. Loans or advances were not granted to the members of the Management Board during the year. The amount of the performance-based compensation component depends on individually agreed targets.

Severance pay has not been approved for any member of the Management Board. Nor has any member of the Management Board received any payments or any such commitment by a

third party with respect to his function as member of the Management Board. No member of the Management Board has received any commitment with regards to pensions.

Name	Fixed salary 2007 (€)	Management bonus achieved 2007 (€)	Fringe benefits (€)	Total remuneration (€)
Gotthardt, Frank	500,000	800,000	5,859	1,305,859
Broer, Jan	150,000	100,000	2,429	252,429
Eibich, Uwe	125,000	100,000	1,870	226,870
Dr. Massmann, Erik	154,167	75,000	1,506	230,673

For comparison the breakdown for 2006 is as follows:

Name	Fixed salary 2006 (€)	Management bonus achieved 2006 (€)	Fringe benefits (€)	Total remuneration (€)
Gotthardt, Frank	500,000	510,000	2,674	1,012,674
Broer, Jan	104,167	140,924	979	246,070
Dr. Massmann, Erik	150,000	100,000	1,453	251,453

In addition to the above stated remuneration, the members of the Management Board – except for Mr. Gotthardt – received a share-based special bonus in the total amount of €17.32 million in conjunction with the IPO in 2007. (Mr. Broer: €6.76 million; Dr. Massmann €6.76m; Mr. Eibich: €3.81m). The arrangement decided by the Supervisory Board on 9 March 2005 provides, that in case of an initial public offering and under consideration of share price movements under certain circumstances, members of the Management Board will be issued shares. As base amount, the value of the Company as at 30 November 2004 was set at €150 million based on the then market capitalisation, or €240m in the arrangement signed by Mr. Uwe Eibich subsequently. Of the difference between the Company value pursuant to the IPO, and the base amount, Jan Broer and Dr. Erik Massmann, members of the Management Board, each received 1% and Uwe Eibich 0.65% in cash.

The remuneration paid was for a specific purpose, namely to enable members of the Management Board to purchase shares under the IPO. These members of the Management Board were granted a preferential allocation under the IPO. Given that the Management Board members had to suffer payroll tax on the bonus, they were permitted to sell up to 50% of the shares purchased under the bonus arrangement on the stock exchange or off-market.

The remaining shares are subject to a holding term of 2 years during which the members of the Management Board are permitted to sell 10% of the remaining shares between the 7th and 12th month, and a further 10% between the 13th and 24th month. Furthermore, the remaining shares may only be sold with the approval of the Supervisory Board.

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Supervisory Board remuneration

The remuneration of the Supervisory Board was determined by the shareholder's meeting, and is set forth in Article 16 of the articles of association. The remuneration depends on the duties and the responsibilities of the members of the Supervisory Board, and the financial results of CompuGROUP. The compensation for the Supervisory Board is based on an annual fixed remuneration. From the beginning of the financial year in which the stocks of the Company are listed on an official or regulated market of a domestic stock exchange, each member of the Supervisory Board receives fixed remuneration of €40,000 per financial year. The chairman of the Supervisory Board receives 1 € times this amount. Consequently, the fixed remuneration

granted to the chairman of the Supervisory Board amounts to €60,000, and €40,000 each for all other members as stated below:

Name	Supervisory board remuneration 2007 (€)
Prof. Dr. Klaus Steffens	60,000
Dr. Klaus Esser	40,000
Dr. Daniel Gotthardt	40,000
Prof. Dr. Rolf Hinz	40,000
Ursula Keller	40,000
Mathias Lange	40,000

For comparison the breakdown for 2006 is as follows:

Name	Supervisory board remuneration 2006 (€)	Notes
Prof. Dr. Klaus Steffens	12,500	Chairman of the supervisory board beginning 16/8/2006
Dr. Klaus Esser	20,000	
Dr. Daniel Gotthardt	20,000	
Prof. Dr. Rolf Hinz	26,667	Chairman of the supervisory board until 16/8/2006; continues to be a member of the supervisory board
Ursula Keller	20,000	
Mathias Lange	20,000	
Dr. Reinhard Koop	12,493	Left the supervisory board as of 16/8/2006

Data pursuant to § 315, Para. 4 HGB

Subscribed share capital

The share capital of CompuGROUP Holding AG is €53,219,350 and is divided into 53,219,350 bearer shares with the investment security number 543730 (ISIN: DE000547305). The shares have been traded on the official market of the Frankfurt stock exchange (Prime Standard)

since 4 May 2007. Under consideration of the 532,350 shares held by the Company itself, the share capital with voting rights is 52,687,000 ordinary shares.

The share capital was increased as part of the initial public offering conducted in May by €7,340,600 from €45,878,750 to €53,219,350 through a rights issue from authorised share capital for cash consideration, as decided by the Management Board and approved by the Supervisory Board. The increase in issued share capital was registered in the trade register on 2 May 2007.

Limitations regarding voting rights or transfer of shares

Voting rights limitations for the shares can result from the regulations of the Aktiengesetz ('AktG' – German securities act), in particular, shareholders are subject to a voting prohibition under certain conditions pursuant to § 316 German securities law (AktG) and the Company is not entitled to a voting right on their own shares pursuant to § 71b AktG.

The shareholder group of family Gotthardt / Dr. Koop consisting of the natural persons Mr. Frank Gotthardt, Dr. Brigitte Gotthardt, Dr. Daniel Gotthardt, and Dr. Reinhard Koop, as well as their related companies, hold a total of 50.09% of the ordinary shares with voting-rights. This majority of votes is established by way of two effectively concluded pool treaties between family Gotthardt and Dr. Koop. First, there is a pool treaty between Mr. Frank Gotthardt, GT1 Vermögensverwaltung GmbH, GT2 Beteiligungen GmbH, Dr. Brigitte Gotthardt and Dr. Daniel Gotthardt. Second, there is a pool treaty between GT1 Vermögensverwaltung GmbH, GT2 Beteiligungen GmbH and Dr. Reinhard Koop. The object of both pool treaties is to ensure standard conditions for exercising voting rights with respect to the shares of CompuGROUP Holding AG.

The shares allocated to members of the Management Board in the context of the share-based bonus scheme are subject to a holding period of two years, during which between the 7th and 12th month a total of 10% of half of the purchased shares may be sold, and between the 13th and 24th month a total of an additional 10% may be sold. Members of the Management Board are free to decide about the use of the second half of the purchased shares. In particular, they may sell a portion or all of these shares at short notice in order to settle their income tax liabilities which arise from the special bonus.

Equity investments exceeding 10% of the voting rights

8,782,085 shares with voting-rights shall be attributed to General Atlantic LLC. This amounts to 16.67% of all shares with voting-rights.

Shares with special rights granting control

Shares with special rights granting control were not issued by the Company.

Details of voting right control for employee shareholdings

The Company is not aware whether any of its employees hold shares in the Company, and do not exercise their controlling rights directly themselves.

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Statutory provisions and articles of association regarding the appointment or dismissal of Management Board members and regarding amendments to the articles of association

The appointment and dismissal of members of the Management Board are governed by § 84 and 85 AktG while amendments to the articles of association are governed by § 133 and 179 AktG.

Power of the Management Board to issue and buy back shares

With a resolution of the shareholder's meeting on 16 August 2006, the Management Board was given the authority to increase the share capital – with the approval of the Supervisory Board – by up to €22,939,375.00 by issuing new shares on one or more occasions for cash consideration and/or in kind assets until 16 August 2011. Following the €7,340,600.00 increase in share capital from authorised share capital, the permitted share capital is reduced to €15,598,775.00 accordingly. Under certain conditions, the legal subscription right of the shareholders may be suspended with the approval of the Supervisory Board. Furthermore, the Management Board was authorised – with the approval of the Supervisory Board – to determine further details to carry out capital increases from authorised share capital.

Pursuant to the resolution of the shareholder's general meeting dated 19 June 2007, the Management Board was authorised to purchase treasury shares in the amount of up to 10% of the share capital registered in the trade register (€53,219,350.00) for any valid purpose subject to statutory limitations. The authorisation is valid from 19 June 2007 and may be exercised in whole or in part, on one or more occasions, until 18 December 2008. The required disclosure pursuant to § 71, Para. 3 (3) AktG to the Bundesanstalt für Finanzdienstleistungsaufsicht (Financial Services Supervisory Authority) was made.

Once the authorisation comes into effect, the past authorisation for the purchase of treasury shares will lapse. Any authorisations for the use of potentially purchased treasury shares are not affected by the adoption of the resolution from 19 June 2007.

Pursuant to the resolution of the Management Board dated 23 January 2008, the Company plans to buy back up to 500,000 shares that correspond to some 0.94% of the share capital. The purpose of the share buy-back is to use the purchased shares in whole or in part to acquire companies, equity investments, or carry out partial company takeovers.

With regard to the disclosure requirements pursuant to § 315 Para. 4 nos. 8 and 9, we have nothing to report.

Development services

Group companies continuously work on being able to offer their customers state of the art software and service products. Our development teams (refer to "Personnel Development") work with the most state-of-the-art systems in accordance with acknowledged standards for securing software quality.

Pursuant to IAS 38, development services, even in-house developed software (around 125,000 hours), are capitalised, which in 2007 resulted in an adjustment to Group earnings of €5.1 million (prior year €4.7 million), less depreciation charge for the year of €1.2 million (prior year €0.3 million). This software development work was performed by employees of the subsidiaries vita-X AG and Z1 Software GmbH. Upon completion, the software will be depreciated over its useful life.

vita-X makes a significant contribution in overcoming sector boundaries in medical supplies. vita-X focused predominately on product development in 2007, as it did in 2006. By the end of the year, it had completed the development work, so that the product will be depreciated over the underlying useful life.

Most development hours (around 200,000) were expensed during the current year, namely short-term, non-capitalisable software amendments to comply with new and/or modified statutory and/or contractual regulations. Depending on the technical field and/or current regulations, updates are generally necessary once a quarter. The development of new modules is carried out depending on their use for all applications. This has the advantage that they can be used in the various doctor information systems.

Software development as a rule is centrally organised and broken down into three major segments:

- Development of individual components and existing doctor and dental information systems, which are both developed on a centralised and de-centralised level.
- Development of platform products, which are integrated as independent products via interfaces to doctor or dental systems, such as electronic archive systems or systems for time management and organisation optimisation.
- The development of a new generation of doctor and dental information systems with a clear separation between business logic and user interface.

This separation enables performance of core functions involving one-time development and maintenance work, which can then be used by various products and their product/individual user interfaces.

Individual components are increasingly processed by central development teams covering all businesses. Training courses carried out by internal and external subject specialists ensure that the staff is kept abreast of the latest technological developments.

Future software generations developed by CompuGROUP shall be characterised by having an individualised front-end solution adjusted to the individual product lines of CompuGROUP, while the underlying backend modules are developed for all major product lines and platforms. In the medium term, and in particular for the backend, this means an extensive centralisation of development activities. Correspondingly, the Company intends to set up a central development department for backend solutions in health provider services (HPS segment). The development and updating of the front-end segment, however, will remain

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with subsidiaries. While maintaining the multi-market strategy in the HPS segment, the Company intends to implement synergies that will be useful to customers during development, as already is the case with the development of platform products.

Purchasing

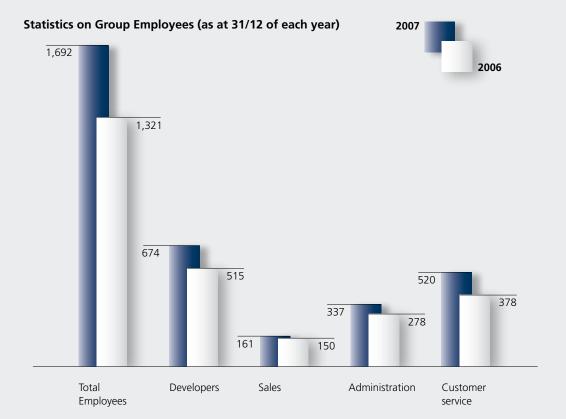
The focus lies with purchasing software components and services. Internally, the necessary investments concern equipping employees with IT systems, while expanding and/or replacing network components and telecommunication systems. The relevant suppliers and service providers are subject to regular monitoring under the QM system.

Employees

CompuGROUP continues to be an attractive employer. The increase in the number of employees is largely due to company acquisitions during the year and a constant high demand for qualified personnel.

Personnel costs primarily consist of salary payments fringe benefits and social security costs. In general management and sales departments, employees receive variable profit-related pay.

As at the balance sheet date, 31 December 2007, a total of 98 trainees were being trained in business and IT professions within the Group. Through good contacts with regional schools



and universities and via a corresponding selection procedure, a high employment quality standard is ensured. As a result of internal placement, CompuGROUP offers committed employees ongoing opportunities for further career development. Identified potential candidates are systematically trained by the internal CG business academy for future executive functions in middle and top management.

In all departments, employees are regularly evaluated in terms of further educational training. This ensures that employees have the best possible level of know-how through training courses. The effectiveness of the training courses also is analysed and adjusted to improve quality.

Supplementary report

Order in the assigned portal business

In February 2008, the Group's subsidiary ISPro GmbH, Hattingen, reported having signed a pioneering contract. Group wide, the HELIOS Kliniken-Gruppe decided on the assigner portal jesa-ja.net. Accordingly, the HELIOS emergency clinics will optimise communication with local doctors on the basis of this leading software product. According to ISPro GmbH, following this latest success, jesa-ja.net now has a market share with allocator portals of over 85%. HELIOS Clinics Group is part of Fresenius Health Group. With over 60 company clinics, 17,300 beds, 500,000 inpatients annually, and 700,000 outpatients per year, HELIOS is one of Germany's leading hospital operators.

Share buyback programme

On 23 January 2008, pursuant to § 71 Para. 1 no. 8 AktG, CompuGROUP Holding AG Management Board decided to implement the authority granted by the general meeting of 19 June 2007 to buy back up to 500,000 Company shares, corresponding to around 0.94% of the current share capital. The share buyback is for the purpose of using such shares in whole or in part for the acquisition of companies, equity investments or parts of companies. The shares will be bought back exclusively via the Xetra-Handel market of Deutsche Börse AG (Frankfurt Securities Exchange).

The buyback started on 23 January 2008, and will close by 30 June 2008 at the latest, but the Management Board may terminate the buyback at any time.

vita-X Spain

In February, CompuGROUP reported a large success when establishing the electronic patient file in Europe. The Spanish participation Medigest Consultores S.L. received the go-ahead from the Madrid Medication Association (ICOMEM) for the electronic networking of 15,000 doctors by means of such a solution. Consequently, about one million patients with the vita-X health file and the Cordoba network solution will be serviced by CompuGROUP in this project. The Madrid region is the third largest among the 17 regions in Spain. The project can be extended at any time to other regions.

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Fliegel DATA

On 16 February 2008, the CompuGROUP subsidiary systema Deutschland GmbH signed a purchase agreement to acquire in the entire equity of herbert dahm datensysteme GmbH, Düsseldorf, and around 89% of Fliegel DATA GmbH, Höxter, and submitted a bid for 11% of shares in Fliegel DATA GmbH. A takeover of all known shares is expected to be completed during the first quarter 2008.

The aforementioned companies will become wholly-owned subsidiaries of systema-Deutschland GmbH on acquisition.

Fliegel DATA and herbert dahm jointly offer a complete hospital information system called fdklinika for emergency hospitals and rehabilitation clinics. These also include a laboratory information system, a materials management and radiology information system (RIS).

Risk Report

Risk management system

In early 2008, in accordance with statutory requirements a Group-wide risk management system was implemented enabling staff to identify or anticipate risks. This approach encompassing all major segments and their related reporting is a key element underpinning the risk management system and enable the Management Board to act quickly and effectively in response to risks. Each important segment of the Company has appointed risk managers, who are responsible for the risk management and all reporting procedures. The reporting ensures that risks are classified in risk categories and reported including an estimate of the probable occurrence and effect on EBITDA.

Apart from the identification and evaluation of major developments that may have an effect on our business, the system also is applied in order to prioritise and implement activities in order to reduce risks and to better utilise opportunities.

The risk managers systematically provide an estimate and assessment of existing and potential risks on a quarterly basis by means of a standard risk-reporting form, which underpins the risk management system. They are subsequently analysed by central risk management and condensed into a summarised report. The risk report is then reviewed by the Management Board.

The systematic further development of our risk management system makes a significant contribution to improving security and targeted further implementation of our standard Group risk policy.

Market and customer risks

As an international company, CompuGROUP operates in the health markets of many European countries and several countries in the Middle East. Based on similar global markets, which are served by CompuGROUP, as a rule differences only result from political and legal regula-

tions. CompuGROUP reduces this risk through detailed market information, which enables the Company to recognise potential risks as early as possible.

Another important point is risks resulting from customer satisfaction and quality of customer service. Purely on the basis of the sensitive nature of healthcare, CompuGROUP always endeavours to optimise customer service. This is guaranteed through state-of-the-art current and secure software and workflow, improving products and services, as well as a comprehensive customer service.

Risks from rights and policies

Pursuant to current patent legislation in USA and the European Union, software is increasingly subject to patent protection. Patent protection actions may also affect CompuGROUP. Furthermore, there is the risk that faulty products and possibly resulting issues of liability may lead to court actions. CompuGROUP has recognised this through adequate insurance cover.

Risks from technology and research and development

Innovations and major developments, which are based on the latest knowledge and new technologies, have a great potential. Financial successes, however, are exposed to the risk of failure. Specifically, CompuGROUP is exposed to the following risk factors:

Some subsidiaries have still not been able to generate sales for products and as a result report losses since the start of the development. In particular, in 2007, vita-X cost the Company considerable expenditure. In order to minimise cost-intensive development projects, the Company has set up profitability analyses, which track future financial income and the year when the product is expected to break even.

Acquisition risks/procedural risks

CompuGROUP expands its international presence by targeted company takeovers. The following procedures have been established for a successful integration:

- During the pre-acquisition phase, we perform an in-depth review of the planned takeover
 to determine whether the Company's strategy, existing customers and technology profitably
 supplements CompuGROUP's businesses. Each acquisition is based on a thorough analysis
 of the technical, financial and legal situation of the target company. Based on the Group's
 progressive global presence, we pay particular attention to ensuring that the corporate culture, as well as the culture of the corresponding country is compatible with our values.
- During the post-acquisition phase, we use a clearly defined control procedure to identify
 potential problem areas promptly. We take into consideration all major areas of the acquired
 company.

Tax risks especially in conjunction with tax inspections by the authorities are an issue. Other procedural risks might result, for example, from employment legislation or civil actions. The Company sets aside provisions for tax risks and potential legal actions.

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Financial risks

In view of the Group's diverse customer structure and established multi-market strategy, there are no risks of over concentration, which could develop into major risks. Given the largely high credit rating of customers, there are very few bad debts.

Personnel risks

As one of Europe's leading eHealth providers, our employees represent valuable know-how in this segment, and, therefore, are in high demand from other software companies. In order to prevent potential poaching, we try to ensure loyalty of our employees through further training, tailored personal development, and non-compete clauses. As a consequence, staff turnover is low.

Risks from the project business

Based on statutory regulations in the project business, we frequently have to compete with other competitors for contracts. In many cases, the price is a deciding factor to win the final contract. The Company follows a specific procedure, which governs our authorisation limits for accepting projects and secures acceptable profit margins.

Overall Group risks

No risks were identified during the year, which threaten the Group's assets. Furthermore, no risks have been identified, which endanger the Company as a going concern.

Dependency Report

Pursuant to § 312 AktG in conjunction with § 17 AktG, the Company has drawn up a Dependency Report. Pursuant to § 312 Para. 3 AktG, the Management Board made the following assessment:

"Based on the circumstances known at the time when the known legal transactions were undertaken, we declare that our Company received reasonable consideration for each legal transaction."

Outlook and opportunities

The Company assumes that, in view of the stable market environment, the general economic situation for 2008 will remain largely uninfluenced by negative effects. The Company's specific market is almost completely uninfluenced by negative economic trends, so that CompuGROUP enjoys considerable planning visibility.

CompuGROUP is one of the leading European companies in the eHealth industry. Given a leading market position in several European countries in the medical information systems segment, the Company has a stable business base. Through many years of well-maintained customer contacts, the Company increases the barriers for other competitors to enter the market. This is also a major requirement for expansion in other segments.

Based on this excellent market position, and the wide proliferation of our medical information systems, the Company enjoys broad and central access to general practitioners which in turn opens up a promising network of treating doctors, hospitals, medical insurance entities and industry. This offers opportunities to CompuGROUP, since improved networking between healthcare specialists to increase efficiency and cut costs is a declared political goal in many European countries. The Company will considerably expand its business in 2008 to boost networking between all parties involved in the health industry from different business sectors.

As a result of the recent acquisitions in clinic information systems, the clinic segment has been considerably expanded. Based on benefits from state-of-the-art systems, high-value customers and know-how connected with these acquisitions, the Company considers itself well-positioned for further growth in this segment. In addition to stepping up activities in clinic information systems, the Company plans to gain further market share.

Furthermore, CompuGROUP plans to bolster its status as an innovative pioneer within the industry with a new series of novel products and projects during 2008. The objective is to exploit the high market potential in the health IT segment.

On the basis of its strong presence in Europe, CompuGROUP is aspiring to expand further internationally, especially through acquisitions. Specifically, CompuGROUP intends to enter new markets via acquisitions and new services such as the introduction of a medical information system in the developing market for local doctors in Turkey, where the Company will establish itself as a significant provider for medical information systems. Furthermore, it may increasingly target growth outside Western Europe through acquisitions.

Based on 2008 forecasts of business activities, we assume that overall 2008 will be a very buoyant year. We expect consolidated sales growth of over 20% with an unchanged EBITDA margin. For subsequent years, based on our strong position in the eHealth market we forecast that, we will achieve double-digit growth in sales and EBITDA.

The customer contracts we have signed since the beginning of the year, some of which are long-term, show that the Group is strategically well positioned for future major events and developments within the healthcare market. In future, the Company will pursue its success by further expanding the product portfolio and developing existing software solutions and IT services. In 2009, the introduction of a new software generation in the human and dental segment is already planned, for which the Company expects a generally positive response from the target group as early as the first year.

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Certification of the legal representatives

We declare to the best of our knowledge that the Group financial statements give a true and fair view of the assets, financial situation and earnings of the Group in accordance with applicable accounting policies, and that the Group management report gives a true and fair view of the business operations, including results and position of the Group, and presents the major opportunities and risks facing the Group in the foreseeable future.

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Koblenz, 29 February 2008

CompuGROUP Holding Aktiengesellschaft

The Managing Board

Frank Gotthardt

Dr. Erik Massmann

Jan Broer

Uwe Eibich

Auditor's Report

We have audited the consolidated financial statements prepared by the CompuGROUP Holding AG, Koblenz, comprising the balance sheet, the income statement, statement of changes in equity, cash flow statement and the notes to the consolidated financial statements, together with the group management report for the business year from January, 1, 2007 to December, 31, 2007. The preparation of the consolidated financial statements and the group management report in accordance with the IFRSs, as adopted by the EU, and the additional requirements of German commercial law pursuant to § (Article) 315a Abs. (paragraph) 1 HGB ("Handelsgesetzbuch": German Commercial Code) and supplementary articles of incorporation are the responsibility of the parent Company's Board of Managing Directors. Our responsibility is to express an opinion on the consolidated financial statements and on the group management report based on our audit.

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

Our audit has not led to any reservations.

COMPUGROUP

In our opinion based on the findings of our audit the consolidated financial statements comply with the IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to § 315a Abs. 1 HGB and supplementary articles of incorporation and give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with these requirements. The group management report is consistent with the consolidated financial statements and as a whole provides a suitable view of the Group's position and suitably presents the opportunities and risks of future development.

Frankfurt am Main, February, 29, 2008

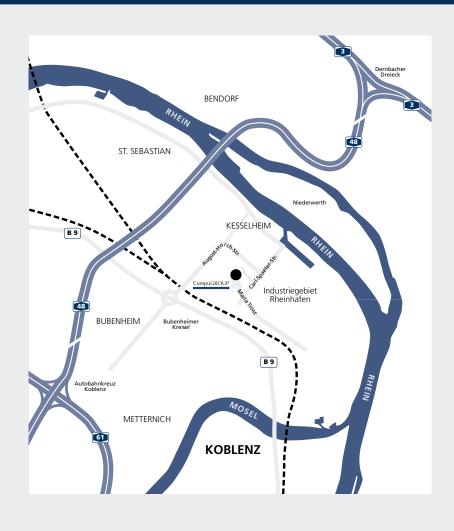
PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft

Dr. Ralf Worster Wirtschaftsprüfer (German Public Auditor) ppa. Jürgen Körbel Wirtschaftsprüfer (German Public Auditor)

How to find us!

On the A3 [Autobahn 3 = Motorway 3] coming from Frankfurt am Main or Köln [Cologne]:

Take the slip road onto the A 48 in the direction of Koblenz/Trier at Dernbacher Dreieck [motorway junction Dernbach]. Take the exit Koblenz after the Bendorfer Autobahnbrücke [motorway bridge Berndorf] and take the B9 [Bundesstraße 9 = trunk road 9] in the direction of Koblenz. When you are on the B9, get into the right lane; take the exit KO (Koblenz)-Kesselheim/Industriegebiet/Rheinhafen, entering the round about. In the roundabout: take 3rd exit in the direction of KO (Koblenz)-Kesselheim/ Industriegebiet/Rheinhafen into August-Horch-Straße (street name); please keep in the right lane; then go straight ahead, crossing the traffic lights. Continue on the August-Horch-Straße and follow the right bend in the through fare until you come



to an intersecting street (Carl-Spaeter-Straße) with traffic lights. Get into the right lane at these traffic lights and turn right. Go straight ahead for about 600 yds. until you come to a bending through fare. When you are in this bend, turn right into the Maria Trost Straße (street name). Follow the street until you come to a turning area. Turn right. The street ends at the parking lot in front of the COMPUGROUP main building.

On the A 61 [Autobahn 61 = motorway 61] coming from Köln [Cologne] or Mainz/Ludwigshafen:

Take the slip road onto the A48 in the direction of Koblenz at Koblenzer Kreuz [motorway junction Koblenz]. Take the exit onto the B9 [Bundesstraße 9 = trunk road 9]in the direction of Koblenz. When you are on the B9, get into the right lane; take the exit KO (Koblenz)-Kesselheim/Industriegebiet/Rheinhafen, entering the round about. Take the 4th exit in the roundabout in the direction of KO (Koblenz)-Kesselheim/Industriegebiet/Rheinhafen, turning into August-Horch-Straße (street name); Please keep in the right lane. Then go straight ahead and cross the traffic lights. Continue on August-Horch-Straße and follow the right bend in the through fare until you come to an intersection (Carl-Spaeter-Straße) with traffic lights. Get into the right lane at these traffic lights and turn right. Go straight ahead for approx. 600 yds. until you come to a bending through fare. Turn right in this bend into the Maria Trost Straße (street name) (see also signposting). Follow the street, which ends at the parking lot in front of the COMPUGROUP main building.

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