

# Nine-Monthly Report

° July 2007 - March 2008

## First nine months of 2007/2008: Utimaco continues to grow

- Group revenues grow by 17.4% to € 43.9 million (previous year: € 37.4 million)
- Operating result (EBITDA) grows to € 10.4 million (previous year: € 9.8 million) with EBITDA margin of 23.7% (previous year: 26.1%)

## Strong third quarter of 2007/2008:

- Revenues grow by 27.6% to € 14.4 million (previous year: € 11.3 million)
- Operating result (EBITDA) improved by 60.7% to € 2.7 million (previous year: € 1.7 million)
- Utimaco and StrongAuth Inc. present the world's first platform-independent key management solution base on the OASIS standard
- Technology partnership with Intel extended
- Leading European pharmaceutical producer chooses Safeguard solutions for group-wide implementation
- Bloor Research's analysts position Utimaco in the "Champion Sector" of their study about solution providers for "Enterprise Data Protection"

### Key Figures at a glance

€ 000	2007/2008 Q3 Jan-Mar	2006/2007 Q3 Jan-Mar	2007/2008 9 months Jul-Mar	2006/2007 9 months Jul-Mar
<b>Revenues</b>	<b>14,426</b>	<b>11,303</b>	<b>43,920</b>	<b>37,422</b>
• growth	27.6%	14.9%	17.4%	20.0%
<b>EBITDA</b>	<b>2,723</b>	<b>1,694</b>	<b>10,418</b>	<b>9,767</b>
• margin	18.9%	15.0%	23.7%	26.1%
<b>EBIT</b>	<b>2,058</b>	<b>1,262</b>	<b>8,414</b>	<b>8,510</b>
• margin	14.3%	11.2%	19.2%	22.7%
<b>Net profit</b>	<b>1,620</b>	<b>859</b>	<b>6,587</b>	<b>6,541</b>
• margin	11.2%	7.6%	15.0%	17.5%
<b>EPS (in acc. with IAS)</b>				
• undiluted	€ 0.11	€ 0.06	€ 0.45	€ 0.44
• diluted	€ 0.10	€ 0.06	€ 0.43	€ 0.43
<b>Operating cash flow</b>	<b>7,242</b>	<b>6,598</b>	<b>2,234</b>	<b>8,895</b>
<b>Employees (Mar 31)</b>	<b>309</b>	<b>278</b>	<b>309</b>	<b>278</b>

### Financial Calendar

- Close Brothers Seydler – Small & Mid Cap Conference  
Frankfurt, Germany  
7th May 2008
- Equinet – European Mid & Small Cap Conference  
London, UK  
27th May 2008
- Presentation of nine-monthly results  
Telephone conference for analysts  
29th May 2008
- Cheuvreux – European Small & Mid Cap Conference  
London, UK  
18th June 2008
- 12-monthly results  
Analysts conference  
September 2008
- General meeting 2007/2008  
19th November 2008

### Outlook

- Continued double-digit growth in revenues for the second half of fiscal year 2007/2008 and good profitability expected for the year 2007/2008 as a whole

### Utimaco Safeware AG

WKN: 7572406  
 ISIN: DE0007572406  
 Reuters: UTIG.DE  
 Bloomberg: USA  
 Internet: [www.utimaco.com](http://www.utimaco.com)

Investor Relations  
 Jutta Stolp, CIRO  
 mailto: [jutta.stolp@utimaco.de](mailto:jutta.stolp@utimaco.de)  
 Tel: +49 (0)6171 88-1117  
 Fax: +49 (0)6171 88-1050

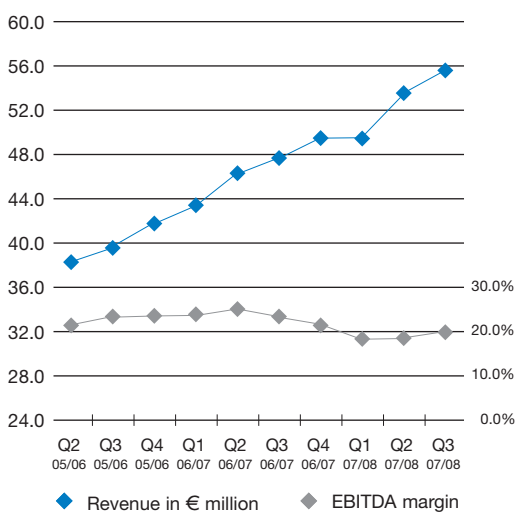
Postal address  
 Utimaco Safeware AG  
 Investor Relations  
 Postbox 20 26  
 DE-61410 Oberursel

## Group framework conditions and business development (July 2007 – March 2008)

In this fiscal year, 2007/2008, the successful market launch of Utimaco's new product generation, SafeGuard Enterprise, is at the center of its business activities. After a first quarter which was flat, as expected, and a very good second quarter, the company's positive revenue development continued in the third quarter with growth of 27.6% to € 14.4 million (previous year: € 11.3 million). Consequently, after nine months, the Utimaco group's revenues had grown by 17.4% to € 43.9 million (previous year: € 37.4 million), lying in the higher range of expected results. The positive business development resulted from the continuing contributions to revenues by the new product generation, SafeGuard Enterprise, and from a very positive development in business with Lawful Interception & Monitoring Solutions (LIMS). Europe was the primary market, with the first larger orders won for SafeGuard Enterprise. They included a million-Euro order from a European federal state body at the year end, and also other larger orders in the third quarter. Overall, after nine months, it was pleasing to see that the demand for data security solutions in the company's important markets, Europe and the USA, remained unaffected by the current credit crisis and associated weakening of the economic situation in the USA.

### Revenue and EBITDA margin

Rolling 12-monthly review

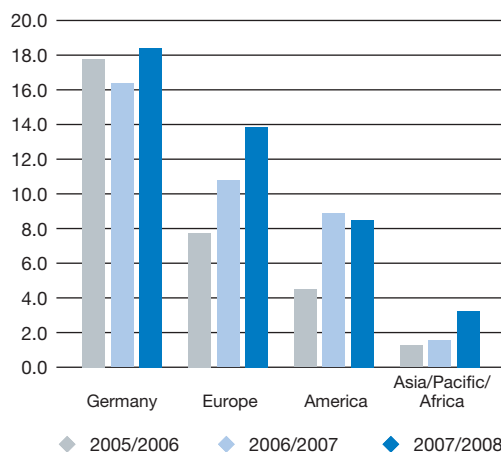


After nine months, the region Germany achieved revenues worth € 18.4 million, 12.6% higher than for the previous year (€ 16.3 million). In total, this region contributed 41.8% of total revenues

(same period in the previous year: 43.6%). In Europe outside Germany revenues increased by 28.8% to € 13.8 million (previous year: € 10.7 million). The Americas region was more strongly affected than the other regions by the transitional phase to the new product portfolio, and its revenues of € 8.5 million, after nine months, were slightly lower than in the same period for the previous year (€ 8.8 million). Revenue in the Asia/Pacific/Africa region more than doubled to € 3.3 million (previous year: € 1.5 million).

### Revenue by Region

9 months (Jul-Mar) in € million

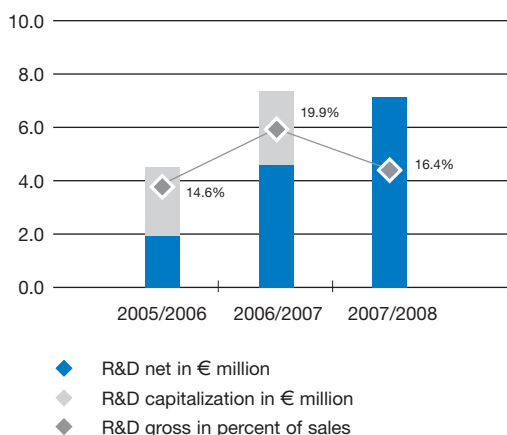


The gross profit on sales after nine months equaled € 37.5 million, 12.1% higher than the previous year's value of € 33.5 million. This corresponds to a gross margin of 85.4% (previous year: 89.4%). The fall in the gross margin was mainly due to the amortization of € 1.2 million on capitalized development costs for the new SafeGuard Enterprise product generation, and also to an extraordinary charge on goods sold, worth € 0.4 million, in the LIMS division, in the second quarter.

Expenses for Research and Development in the first nine months were just under the gross value for the same period in the previous year, at € 7.2 million (previous year: € 7.4 million, excluding capitalization of € 2.8 million). In the reporting period no development costs were capitalized for self-developed software (previous year: capitalization worth € 2.8 million). Research and Development costs equaled 16.4% of revenues (previous year: gross 19.9%, net 12.3%).

## Research and development costs

9 months (Jul-Mar)

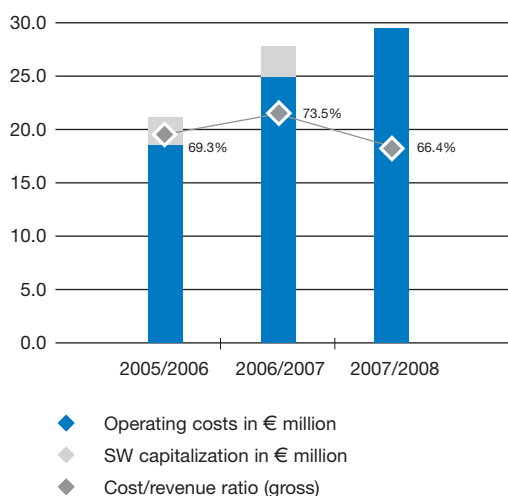


Sales and marketing costs of € 17.0 million were 7.0% higher than for the same period in the previous year (€ 15.9 million), but they represented a lower proportion of revenues, at 38.7% (previous year: 42.4%). General administration costs equaled € 5.0 million (previous year: € 4.2 million), representing 11.3% of revenues (previous year: 11.2%).

In total, the operating costs (sales and marketing costs, research and development costs, and general administration costs) increased by 18.1% to € 29.2 million (previous year: € 24.7 million). After the cost-reducing capitalization effects from the same period in the previous year have been excluded, the increase equaled only 6.0%. The cost/revenue ratio equaled 66.4% in the reporting period (previous year: gross 73.5%, net 66.0%).

## Operating costs

9 months (Jul-Mar)



The EBITDA result after nine months was € 10.4 million (previous year: € 9.8 million), which corresponds to a margin of 23.7% (previous year: 26.1%). The EBITDA result achieved in the same period in the previous year was positively affected by capitalized development costs worth € 2.8 million.

A positive operating profit (EBIT) of € 8.4 million (previous year: € 8.5 million) was achieved, and an EBIT margin of 19.2% (previous year: 22.7%). After adjustments to take account of the amortization on capitalized development costs, worth € 1.2 million, and the capitalization effects from the same period in the previous year, worth € 2.8 million, the EBIT margin improved by 64.4%, compared to the same period in the previous year.

The result before tax (EBT) was € 9.3 million (previous year: € 9.3 million), which corresponds to a margin of 21.1% (previous year: 24.8%).

The result after tax (EAT) was € 6.6 million, compared to € 6.5 million in the previous year, with a margin of 15.0% (previous year: 17.5%).

The undiluted result per share in accordance with IAS equaled € 0.45 (previous year: € 0.44), based on a weighted, undiluted number of shares of 14,745,449 (previous year: 14,745,449). The diluted result per share in accordance with IAS equaled € 0.43 (previous year: € 0.43), based on a weighted, diluted number of shares of 15,454,540 (previous year: 15,225,449).

After nine months a positive operating cashflow of € 2.2 million (previous year: € 8.9 million) was achieved. It was burdened, among other things, by the payment of € 2.2 million, in settlement of a 3-Year Bonus Program, and by tax payments worth € 3.0 million (previous year: € 1.7 million). € 1.5 million of these tax payments were for earlier periods.

## Assets and investments

Utimaco has considerable financial resources available after the first nine months year of fiscal 2007/2008. On 31st March 2008 liquid assets, including securities that can be liquidated at short notice, equaled € 33.2 million (on 30th June 2007: € 33.1 million). Short-term assets (cash and securities, receivables, inventories and other short-term assets) exceeded current liabilities by 220% (on 30th June 2007: 159%).

The increase in equity capital in the reporting period from € 40.5 million to € 45.5 million was primarily due to the achieved period surplus of € 6.6 million minus the dividends for fiscal year 2006/2007 which totaled € 2.2 million. The equity ratio on 31st March 2008 equaled 69.0% (on 30th June 2007: 66.2%).

#### Investments

In the reporting period, investments equalling € 0.8 million were made (previous year: € 4.6 million.).

#### Employees

On the 31st March 2008, Utimaco employed 309 staff (previous year: 278). Of these staff, 59% were active in Germany (previous year: 63%), and 41% were active outside Germany (previous year: 37%).

#### Fluctuations in orders: seasonal factors

Utimaco usually supplies its products and solutions shortly after receiving orders and usually has no major order backlog. The sale of products and solutions is fundamentally dependent on the orders received, and fulfilled, in a particular quarter, and cannot be accurately predicted.

#### Risk report

Utimaco has a risk management system with which risks can be recognized and analyzed early on, and enables appropriate measures to be carried out. The risk factors have not changed significantly in the first nine months of fiscal year 2007/2008, compared to reporting year 2006/2007. These risk factors have been reported in Utimaco's annual report for the year 2006/2007.

#### Important events after end of the third quarter

With effect from the 1st of May 2008, Utimaco's Management Board has gained two new members, in recognition of Utimaco's growing business. The new Management Board members are Malte Pollmann, responsible for product management and business development, and Olaf Siemens, responsible for product development.

#### Outlook

Market researchers have forecast continued positive developments in the IT security market in the coming years. In our estimation, any potential slowdown in the world economy will have little impact on this market. In the current fiscal year we intend to further extend our existing technology and sales partnerships with Lenovo, Intel, Nokia Siemens Networks and Huawei, and also build up relations with other important partners. Our Research and Development efforts are continuing to concentrate on completing our new product generation, SafeGuard Enterprise, to make it a comprehensive solution for data security, which can also respond effectively to the growing needs in the area of Data Leakage Prevention.

For the fourth quarter of 2007/2008 we expect to see increasing contributions to sales revenues from SafeGuard Enterprise and continued double-digit growth figures across the group. As the positive effects on earnings due to the capitalization of software has ended, and the amortization of capitalized development costs has begun, our result, compared to the previous fiscal year, will be burdened by an additional € 3.9 million. However, we do want to improve our profitability in the year 2007/2008 as a whole, in comparison to the previous year.

## Development of revenues and results for the divisions

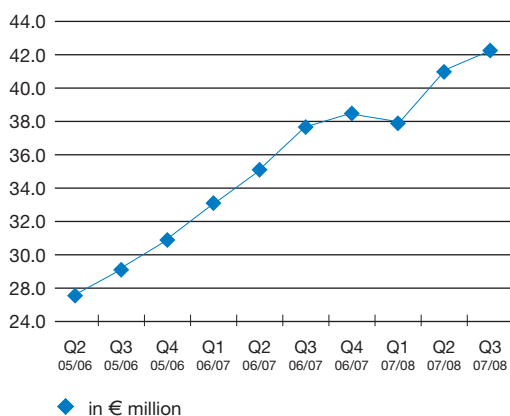
### Data Protection

The Data Protection division develops and sells professional solutions for protecting the confidentiality and integrity of data when it is stored (data at rest), on the move (data in transit) and being used in business processes (data in use). The solution portfolio is branded as the SafeGuard product family and includes both software and hardware solutions. It primarily sells its products indirectly, via sales and OEM partners.

After nine months, Data Protection succeeded in increasing its revenues from software license sales and maintenance revenues by 12.4% to €33.3 million (previous year: €29.6 million). Its license sales grew by 10.5% to €25.3 million (previous year: €22.9 million), of which €5.4 million were for the new SafeGuard Enterprise product generation. After nine months, SafeGuard Enterprise already contributed 21.5% to the revenues from license sales in the Data Protection division. Maintenance revenues increased by 18.7% to €8.0 million (previous year: €6.7 million).

#### Data Protection Revenue from licenses and maintenance

Rolling 12-monthly review



The proportion of revenues achieved by software solutions (licenses and maintenance revenues) equaled 90.6% after nine months (previous year: 89.2%). In total, this division achieved revenues worth €36.7 million in the first nine months of the current fiscal year, an increase of 10.6% compared to the same period last year (previous year: €33.2 million). This division's contribution to the operating result (segment contribution)

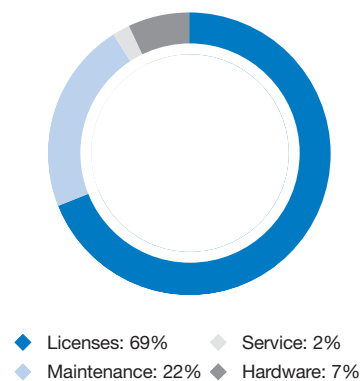
was €10.0 million (previous year: €10.9 million) and represents a margin of 27.1% (previous year: 32.8%). This segment contribution was burdened by the amortization on capitalized development costs for SafeGuard Enterprise worth €1.2 million and the ending of the positive effects on earnings from the software capitalization in the previous period worth €2.8 million. After adjustments to take account of the amortization on capitalized development costs and the capitalization effects from the same period in the previous year, the segment contribution improved by 35.9% compared to the same period in the previous year.

#### Bloor Research positions Utimaco in the "Champion Sector" in its "Enterprise Data Protection" study

Analysts at the market research bureau Bloor Research, have placed Utimaco in the "Champion Sector" in their study about solution providers for "Enterprise Data Protection". This study measured the product portfolio of different suppliers against an "ideal" data security product. Bloor Research use the term Enterprise Data Protection as an umbrella term for the converging technologies of Data Encryption and Data Leakage Prevention (DLP). Data Leakage Prevention is a new technology for the protection of data against misuse by insiders who are authorized to access it. Since the end of 2007 Utimaco has been offering a DLP solution as a stand-alone product, and intends to integrate this technology in SafeGuard Enterprise.

#### Data Protection Revenue by product groups

9 months (Jul-Mar)



## Data Protection

€ 000	2007/2008 9 months Jul-Mar	2006/2007 9 months Jul-Mar
<b>Revenue</b>	<b>36,723</b>	<b>33,196</b>
• Growth	10.6%	20.5%
<b>Segment contribution*</b>	<b>9,963</b>	<b>10,874</b>
• Margin	27.1%	32.8%
<b>Segment contribution**</b>	<b>11,119</b>	<b>8,184</b>
• Margin	30.3%	24.7%

\* before allocation of central costs

\*\* before allocation of central costs and adjusted by software capitalization effects

## Lawful Interception & Monitoring Solutions (LIMS)

The Lawful Interception & Monitoring Solutions (LIMS) division develops solutions for network operators and telecommunications providers for the legally-compliant monitoring of telecommunications services of all kinds. The LIMS solutions are based on a central management platform which administers all a telecommunications provider's communications services that are to be monitored. The LIMS solutions also form the interface to the authorized government bodies ("LEAs": law enforcement agencies) and their monitoring centers. They support a multitude of network devices so they can be integrated in almost any communications network belonging to a fixed network, mobile telephony or Internet provider. They can monitor voice and data services including telephony, fax, SMS, MMS, Email, voicemail, VoIP, Push-to-Talk and other Internet services.

The LIMS solutions are designed to meet the international Lawful Interception (LI) standards defined by ETSI, 3GPP, ANSI and PacketCable, and have been tested by numerous different national authorities to verify that they are suitable for extracting monitoring data. They take into account the very highest security requirements when processing confidential data in every part of the system, by using encryption, revisionproof auditing and the division of functions in accordance with the secondary authorization principle. They are sold primarily via OEM partners.

In the first nine months of this fiscal year, the Lawful Interception & Monitoring Solutions (LIMS) division succeeded in increasing its revenues by 70.3% to € 7.2 million (previous year: € 4.2 million). Here, in particular, there was a considerable increase in orders in the second and third quarters of 2007/2008 following a change in the law in Germany, which required all ISPs with more than 10,000 subscribers to implement monitoring equipment and to set up

monitoring measures when required to by authorized government bodies. In addition to direct business with these customers, international trade via partners was also promoted.

## Extension of OEM business

In the third quarter, two important milestones were achieved in the LIMS division relating to extending the indirect sales path. Firstly, a large Scandinavian telecommunications and network equipment supplier was won as an OEM partner. Utimaco LIMS is extending the product portfolio of this new partner for the legally-compliant monitoring of telecommunications services by adding "multi-vendor capability", i.e. the option of connecting a multitude of network components from a wide range of different manufacturers to the monitoring system.

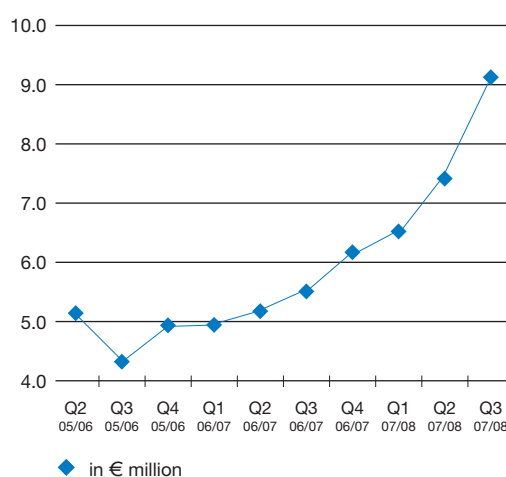
The second milestone was the strengthening of Utimaco's long-term business relationship with Huawei, the leading Chinese telecommunications provider, by signing a framework agreement. This agreement permits Huawei to sell the Utimaco LIMS to its own customers, worldwide.

Now that the Scandinavian provider has joined Nokia Siemens Networks (NSN), Motorola, and Huawei, most of the world's wide leading telecommunications providers are LIMS OEM partners.

## Lawful Interception & Monitoring Solutions (LIMS)

### Revenue development

Rolling 12-monthly review



This division's contribution to the operational result (segment contribution) rose by 76.7% to € 3.4 million (previous year: € 1.9 million) and represents a margin of 46.8% (previous year: 45.1%).

## Lawful Interception & Monitoring Solutions (LIMS)

€ 000	2007/2008 9 months Jul-Mar	2006/2007 9 months Jul-Mar
<b>Revenue</b>	<b>7,197</b>	<b>4,226</b>
• Growth	70.3%	15.7%
<b>Segment contribution*</b>	<b>3,365</b>	<b>1,904</b>
• Margin	46.8%	45.1%

\* before allocation of central costs

### Product news, research and development activities of the Utimaco group

In addition to the on-going modification of the existing product portfolio to match technological developments and increasing security requirements, the emphasis in Research and Development in the current fiscal year lies on completing SafeGuard Enterprise, the new product generation, to produce a comprehensive data security solution for Information Protection and Control (IPC). SafeGuard Enterprise is an extendable modular security suite, at the core of which is a central Management Center which not only streamlines the definition, implementation and monitoring of company-wide data security guidelines but also contains comprehensive, central key management functionality.

#### Data Protection

##### SafeGuard Enterprise 5.21 with interface for third-party applications

SafeGuard Enterprise, the modular security suite for providing critical corporate data with comprehensive protection, now also offers a uniform interface for all management functions. Using Version 5.21, integration partners and customers can integrate Utimaco Safeware Enterprise in their corporate IT systems even more flexibly. In particular, any company directory service can now be imported into SafeGuard Enterprise Management, to enable any existing information about end devices and users for SafeGuard Enterprise's data security rules.

##### New version of SafeGuard Mail Gateway 5.5 with extended policy management

SafeGuard MailGateway is a security solution that implements encryption and digital signatures to centrally secure an organization's e-mail traffic. The most recent version of SafeGuard MailGateway, Version 5.5, now provides extended policy management, to enable even com-

plex security policies to be implemented for inbound and outbound emails. The central, policy-based integration of email encryption, decryption and recoding provides efficient support for linked email processes such as archiving, content monitoring and anti-virus systems. The security solution integrates directory services such as Microsoft Active Directory in policy management so that any existing user and group infrastructures can be used for setting up rules.

##### SafeGuard CryptoServer secures central key management in SOA (Service Oriented Architecture)-based environments

Utimaco and StrongAuth Inc., which specializes in Enterprise Key Management, have entered into a technology partnership so that they can work together to create security solutions for central key management in distributed, service-oriented, SOA (Service Oriented Architecture) environments. In the framework of this partnership they have developed the world's first platform-independent key management solution that complies with the OASIS Enterprise Key Management Infrastructure (EKMI) standard. It is based on a combination of Utimaco's SafeGuard CryptoServer and StrongAuth's StrongKey open source software. OASIS stands for the Organization for the Advancement of Structured Information Standards and it is an internationally recognised organization involved in the further development of SOA standards for e-business and web services applications. Whilst StrongKey provides the necessary cryptographic services for key management, the SafeGuard CryptoServer hardware security module ensures maximum security when keys are saved. Using this jointly developed solution, key management can be organized as a central and confidential service for encrypting sensitive data in distributed applications. The solution is a milestone in the provision of "Security as a Service" in SOA environments.

##### SafeGuard CryptoServer has been awarded FIPS 201 certification and supports Microsoft's new cryptography interface (CNG)

The SafeGuard CryptoServer hardware security module supports the new Microsoft CNG cryptography interface (Cryptography Next Generation) which replaces Microsoft CryptoAPI in Windows Vista and Windows Server 2008. Now, users who are using Microsoft's 64-bit operating systems can also implement the SafeGuard CryptoServer for securely storing private keys

and securing certificate services while using Microsoft CA (Certification Authority). SafeGuard CryptoServer has also received FIPS 201 certification. FIPS 201 is an American security standard which complies with the specifications set out in Homeland Security Presidential Directive (HSPD-12) and applies to all American government bodies responsible for issuing identity cards.

#### Technology partnership with Intel extended

Utimaco and Intel have extended their technology partnership in order to embed Intel's anti-theft technology in SafeGuard Enterprise. With its Anti-Theft Technology Intel has integrated a new security function in its chipsets, with which notebooks can be completely deactivated using a configurable set of rules. This function can be used both as an anti-theft system and also for switching off a stolen device. The first laptops with this chipset are to be launched in the 4th quarter 2008. SafeGuard Enterprise will support this function and also manage the set of rules. Additionally encrypting the hard disk SafeGuard Enterprise prevents data on a deactivated, and so useless device, from being compromised if the hard disk is removed. In addition it enables the active deletion of data, if this is required by the company.

#### Lawful Interception & Monitoring Solutions (LIMS)

##### Extending the LIMS portfolio for Next Generation Networks (NGN)

During the current fiscal year, the emphasis in the LIMS division has been on further expansion of technological cooperation with OEM partners, in particular to create Lawful Interception solutions for Next Generation Networks (NGNs). OEM Release 6.0 for Motorola and OEM Release 6.1

for Nokia Siemens Networks meant the release of versions of LIMS which contained Lawful Interception solutions for the different IP Multimedia Subsystems (IMSs) for important OEM partners. In these releases, the vendors-specific components CSCF, SBC or MGW are used directly to link the IMS as the central platform for IP-based multimedia applications in fixed networks and mobile telephony networks. OEM Release 6.2 for our Chinese partner, Huawei saw the completion of the integration of the Huawei network components (for NGN, GSM, UMTS and CDMA).

##### Expansion of the LIMS system into Internet Access

As a consequence of the new orders involving Internet access resulting from the introduction of TR TKÜ 5.0 (Technical guidelines for describing changes to the requirements for the implementation of legal measures for the monitoring of telecommunications) in Germany, the bandwidth for supported Internet routers was expanded. As a consequence, the Lawful interception Management System now supports numerous Internet access servers from leading manufacturers such as Cisco, Juniper, Motorola, Redback and Huawei.

##### Porting of Utimaco LIMS to Linux

As part of a major customer project, Utimaco's LIMS software has been ported to the license-free Linux operating system. For future applications this adds a further Linux and AMD/Intel-server-based platform to stand alongside the existing Sun Solaris operating system and the Sun Sparc servers. As a result, Utimaco can now react even more flexibly to different and varied customer requirements and more effectively address the needs of the international marketplace, especially in Asia.

### Consolidated Profit and Loss Statement due to IFRS

€ 000	2007/2008 Q3 Jan-Mar	2006/2007 Q3 Jan-Mar	2007/2008 9 months Jul-Mar	2006/2007 9 months Jul-Mar
<b>Sales</b>	<b>14,426</b>	<b>11,303</b>	<b>43,920</b>	<b>37,422</b>
Cost of sales	-1,978	-1,285	-6,421	-3,963
<b>Gross profit on sales</b>	<b>12,448</b>	<b>10,018</b>	<b>37,499</b>	<b>33,460</b>
Sales and marketing costs	-6,135	-5,784	-16,990	-15,884
R&D costs	-2,602	-1,669	-7,216	-4,619
General administrative costs	-1,756	-1,197	-4,966	-4,197
Other operating income/expenditure, net	104	-102	92	-244
<b>Result from ordinary operations</b>	<b>2,060</b>	<b>1,266</b>	<b>8,420</b>	<b>8,516</b>
Financial result	253	377	854	778
<b>Earnings before taxes</b>	<b>2,313</b>	<b>1,642</b>	<b>9,273</b>	<b>9,293</b>
Taxes on income	-692	-783	-2,686	-2,752
<b>Earnings after taxes</b>	<b>1,620</b>	<b>859</b>	<b>6,587</b>	<b>6,541</b>
Minority Interests	0	0	0	0
<b>Net income/net loss</b>	<b>1,620</b>	<b>859</b>	<b>6,587</b>	<b>6,541</b>
<b>Earnings per share according to IAS</b>				
• basic	€ 0.11	€ 0.06	€ 0.45	€ 0.44
• diluted	€ 0.10	€ 0.06	€ 0.43	€ 0.43
<b>Weighted average number of shares</b>				
• basic	14,745,449	14,745,449	14,745,449	14,745,449
• diluted	15,725,449	15,225,449	15,454,540	15,225,449

## Consolidated Balance Sheet due to IFRS

€ 000	9-months end March 31, 2007	Financial year-end June 30, 2007	Appendix
<b>ASSETS</b>			
<b>Short-term assets</b>			
Cash	32,877	22,812	
Securities	362	10,313	
Accounts receivable, trade, net	15,120	12,490	
Inventories	2,432	1,155	
Other short-term assets	2,409	929	(1)
<b>Total short-term assets</b>	<b>53,199</b>	<b>47,699</b>	
<b>Long-term assets</b>			
Long-term financial assets	36	36	
Shares in affiliated companies	13	0	
Property, plant and equipment	1,805	1,675	
Intangible assets	9,456	10,756	
Deferred tax claims	1,400	1,082	
<b>Total long-term assets</b>	<b>12,711</b>	<b>13,549</b>	
<b>Total ASSETS</b>	<b>65,910</b>	<b>61,248</b>	
<b>EQUITY AND LIABILITIES</b>			
<b>Liabilities</b>			
<b>Short-term liabilities</b>			
Trade payables	2,076	1,893	
Prepayments received	971	211	
Other liabilities	3,005	4,177	(2)
Tax accruals	598	1,085	
Accruals	2,662	4,416	(3)
Deferred items	7,314	6,604	
<b>Total short-term liabilities</b>	<b>16,627</b>	<b>18,388</b>	
<b>Long-term liabilities</b>			
Liabilities due to banks	0	2	
Deferred taxes	2,037	493	
Pension accruals	1,194	1,010	
Deferred items	591	824	
<b>Total long-term liabilities</b>	<b>3,822</b>	<b>2,329</b>	
<b>Equity</b>			
Share capital	14,745	14,745	(4)
Capital reserves	6,067	5,533	
Other reserves	6,912	6,912	
Adjustment item for foreign currency conversion	38	20	
Retained earnings	17,698	13,322	
<b>Total shareholders' equity</b>	<b>45,461</b>	<b>40,532</b>	
<b>Total LIABILITIES</b>	<b>65,910</b>	<b>61,248</b>	

## Consolidated Cash Flow Statement due to IFRS

€ 000	2007/2008 Q3 Jan-Mar	2006/2007 Q3 Jan-Mar	2007/2008 9 months Jul-Mar	2006/2007 9 months Jul-Mar
<b>Cash flow from operating activities</b>				
<b>Net result before taxes</b>	<b>2,313</b>	<b>1,642</b>	<b>9,273</b>	<b>9,293</b>
• Depreciations on property, plant and equipment and intangible assets	663	429	1,998	1,252
• Depreciations on financial assets	2	3	6	6
• Change in pension provisions	184		184	
• Change in other not-cash items	297	341	553	316
• Elimination of earnings and expenditure from cash deposits and financial instruments	-255	-525	-859	-798
• Changes in inventories, receivables, other assets and active deferred income	3,782	2,580	-4,426	-2,849
• Changes in liabilities, short term accruals and deferred items	879	3,671	-1,506	3,374
• Tax payments	-623	-1,543	-2,989	-1,700
<b>Cash flow from operating activities</b>	<b>7,242</b>	<b>6,598</b>	<b>2,234</b>	<b>8,895</b>
<b>Cash flow from investment activities</b>				
• Investments in property, plant and equipment and intangible assets	-262	-1,807	-829	-4,647
• Interest receipts	259	339	950	716
• Change in financial assets	3,289	-12,291	9,933	-3,265
• Change in scope of consolidation minus liquid assets	0	0		-86
<b>Cash flow from investment activities</b>	<b>3,286</b>	<b>-13,759</b>	<b>10,054</b>	<b>-7,282</b>
<b>Cash flow from financing activities</b>				
• Dividend payments	0	0	-2,212	-2,212
• Changes in obligations to banks	0	-6	-2	-80
• Interest payments	-4	11	-9	-9
<b>Cash flow from financial activities</b>	<b>-4</b>	<b>5</b>	<b>-2,222</b>	<b>-2,301</b>
Increase/decrease in cash*	10,524	-7,156	10,066	-688
Cash at the beginning of the period	22,353	22,841	22,812	16,373
<b>Cash at the end of the period</b>	<b>32,877</b>	<b>15,685</b>	<b>32,877</b>	<b>15,685</b>

\*Quickly liquidatable securities are no longer reported as cash equivalents. Relevant values have been adjusted.

### Consolidated Changes in Equity due to IFRS

	Issued individual share certificates Number	Subscribed capital € 000	Capital reserve € 000	Other reserves € 000	Adjustment items for currency conversion € 000	Retained earnings € 000	Total equity capital € 000
<b>Balance as of 30th June 2003</b>	<b>6,227,243</b>	<b>6,227</b>	<b>27,839</b>	<b>0</b>	<b>208</b>	<b>-27,972</b>	<b>6,303</b>
Capital increase as of 5th September 2003	6,227,243	6,227	2,491				8,718
Cost of issuing shares for capital increase			-384				-384
Tax effect on cost of issuing shares for capital increase			150				150
Capital increase by exercising option	1,542,428	1,542	894				2,437
Equity ratio from warranty bond			382				382
Annual net profit						3,117	3,117
Adjustment items for foreign currency conversion					3		3
<b>Balance as of 30th June 2004</b>	<b>13,996,914</b>	<b>13,997</b>	<b>31,373</b>	<b>0</b>	<b>211</b>	<b>-24,855</b>	<b>20,725</b>
Capital increase by exercising option	729,150	729	534				1,263
Withdrawal from capital reserve			-27,001			27,001	0
Annual net profit						5,994	5,994
Adjustment items for foreign currency conversion					-27		-27
<b>Balance as of 30th June 2005</b>	<b>14,726,064</b>	<b>14,726</b>	<b>4,906</b>	<b>0</b>	<b>184</b>	<b>8,139</b>	<b>27,955</b>
Capital increase by exercising option	19,385	19	25				45
Equity capital from option assignment			101				101
Annual net profit				2,317		5,712	8,029
Adjustment items for foreign currency conversion					-154		-154
<b>Balance as of 30th June 2006</b>	<b>14,745,449</b>	<b>14,745</b>	<b>5,032</b>	<b>2,317</b>	<b>30</b>	<b>13,851</b>	<b>35,976</b>
Equity ratio from warranty bond			501				501
Dividend payment						-2,212	-2,212
Annual net profit				4,595		1,683	6,278
Adjustment items for foreign currency conversion					-11		-11
<b>Balance as of 30th June 2007</b>	<b>14,745,449</b>	<b>14,745</b>	<b>5,533</b>	<b>6,912</b>	<b>20</b>	<b>13,322</b>	<b>40,532</b>
Equity ratio from warranty bond			535				535
Dividend payment						-2,212	-2,212
Annual net profit						6,587	6,587
Adjustment items for foreign currency conversion					19		19
<b>Balance as of 31st March 2008</b>	<b>14,745,449</b>	<b>14,745</b>	<b>6,067</b>	<b>6,912</b>	<b>38</b>	<b>17,698</b>	<b>45,461</b>

## Appendix to the Nine-monthly report (July 2007 – March 2008)

### Basis and Methods for Accounting Principles

The nine-monthly report 2007/2008 was created in Euros in accordance with the International Financial Reporting Standards (IFRS). It shows no changes in the statutory accounting principles and methods when compared to the consolidated annual report of the fiscal year 2006/2007, completed on 30th June 2007.

Independently we hereby wish to draw your attention to the fact that the development costs worth € 7.7 million, for the new SafeGuard Enterprise product generation, arising in the previous reporting years 2004/2005, 2005/2006 and 2006/2007, have been capitalized in accordance with IAS 38, with a positive effect on earnings in these periods. The base functionality of the new product suite was completed in March 2007 and released for sale, so the amortization of capitalized development costs began from this point in time.

The nine-monthly report 2007/2008 includes Utimaco Safeware AG and all subsidiaries, and uses the full consolidation method.

Various information and Appendix details that are usually included in a consolidated annual report that has been created in accordance with IFRS have been presented in abbreviated form, or omitted. We are nevertheless of the opinion that the Supplement details provided are suitable for giving an accurate impression of the actual conditions.

### Summarized notes for the consolidated balance sheet and consolidated profit and loss statement

#### (1) Other short-term assets

€ 000	Mar. 31, 2008	June 30, 2007
Accrued items	667	503
Taxes	1,305	263
Accounts receivable from employees	53	18
Deposits	66	33
Debit-side creditors	3	10
Interest receivable	107	90
Miscellaneous	207	12
	<b>2,409</b>	<b>929</b>

#### (2) Other liabilities

€ 000	Mar. 31, 2008	June 30, 2007
Employee remuneration	1,741	2,294
Revenue and other taxes	679	781
Income and church tax	341	300
Social security contributions	159	133
Miscellaneous	85	669
	<b>3,005</b>	<b>4,177</b>

#### (3) Provisions

€ 000	Mar. 31, 2008	June 30, 2007
Vacation not yet taken	811	734
Other HR provisions	851	2,415
Rights to claim	34	34
Miscellaneous	966	1,233
	<b>2,662</b>	<b>4,416</b>

Other HR provisions contain € 0.6 million for the 3-Years Bonus Program II (30th June 2007: € 2.2 million Program I). The provisions for Program I were completely paid out in the first half year 2007/2008 and equaled € 0 on the 31st March 2008.

#### (4) Equity

On the 31st March 2008 the subscribed capital equaled € 14,745,449.00 (on the 30th June 2007: € 14,745,449.00). By a resolution passed in the shareholders' meeting on 27th November 2007 the capital stock of the company was increased, subject to a contingency, by € 500,000.00, split into 500,000 owner shares. The new restricted Capital V for the fulfillment of obligations arising from an option program was registered on the 5th December 2007.

#### (5) Segment reporting

Now that the former Personal Device Security segment has been strategically aligned towards offering a comprehensive data security solution for Information Protection and Control, (IPC), segmental reporting has been adjusted accordingly from the 1st quarter of fiscal year 2007/2008. The new division, Data Protection, now also comprises the SafeGuard MailGateway and SafeGuard CryptoServer products (previously

the responsibility of the former Transaction Security division), in addition to the existing SafeGuard software products and complementary products from other suppliers such as smartcard readers. The previous year's values have been adjusted accordingly, for the purpose of comparison.

The Transaction Security was renamed as the Lawful Interception & Monitoring Solutions (LIMS) division. It develops solutions for the legally-compliant monitoring of telecommunications services of all kinds. The previous year's values have also been adjusted accordingly, for the purpose of comparison.

Utimaco is now organized in the following two divisions (segments):

- Data Protection
- Lawful Interception & Monitoring Solutions (LIMS)

Income between the segments is presented separately. The basis for setting off deliveries and services between the segments is the valid market prices applied to customers.

### Segment Result 3rd Quarter

	Data Protection		Lawful Interception & Monitoring Solutions		Elimination/ General		Total	
	2007/08 Jan-Mar	2006/07 Jan-Mar	2007/08 Jan-Mar	2006/07 Jan-Mar	2007/08 Jan-Mar	2006/07 Jan-Mar	2007/08 Jan-Mar	2006/07 Jan-Mar
€ 000								
<b>External revenue</b>	<b>11,809</b>	<b>10,414</b>	<b>2,617</b>	<b>889</b>	<b>0</b>	<b>0</b>	<b>14,426</b>	<b>11,303</b>
Revenues between segments	0	0	0	0	0	0	0	0
<b>Total revenues</b>	<b>11,809</b>	<b>10,414</b>	<b>2,617</b>	<b>889</b>	<b>0</b>	<b>0</b>	<b>14,426</b>	<b>11,303</b>
Cost of material	-357	-211	-446	-131	-35	5	-838	-336
Depreciations	-547	-287	-13	-44	-108	-98	-669	-429
Operating costs	-8,392	-8,619	-845	-545	-1,726	-1,011	-10,963	-10,175
SW capitalization	0	1,006	0	0	0	0	0	1,006
<b>Segment contribution</b>	<b>2,513</b>	<b>2,303</b>	<b>1,313</b>	<b>169</b>	<b>-1,870</b>	<b>-1,103</b>	<b>1,955</b>	<b>1,368</b>
Other operating income/ expenditure, net							104	-102
<b>Result from ordinary operations</b>							<b>2,060</b>	<b>1,266</b>

### Segment Result 9 months

	Data Protection		Lawful Interception & Monitoring Solutions		Elimination/ General		Total	
	2007/08 Jul-Mar	2006/07 Jul-Mar	2007/08 Jul-Mar	2006/07 Jul-Mar	2007/08 Jul-Mar	2006/07 Jul-Mar	2007/08 Jul-Mar	2006/07 Jul-Mar
€ 000								
<b>External revenue</b>	<b>36,723</b>	<b>33,196</b>	<b>7,197</b>	<b>4,226</b>	<b>0</b>	<b>0</b>	<b>43,920</b>	<b>37,422</b>
Revenues between segments	0	0	0	0	0	0	0	0
<b>Total revenues</b>	<b>36,723</b>	<b>33,196</b>	<b>7,197</b>	<b>4,226</b>	<b>0</b>	<b>0</b>	<b>43,920</b>	<b>37,422</b>
Cost of material	-1,293	-865	-1,601	-608	-35	-2	-2,930	-1,475
Depreciations	-1,649	-869	-40	-130	-319	-252	-2,009	-1,251
Operating costs	-23,818	-23,405	-2,190	-1,583	-4,646	-3,765	-30,654	-28,753
SW capitalization	0	2,817	0	0	0	0	0	2,817
<b>Segment contribution</b>	<b>9,963</b>	<b>10,874</b>	<b>3,365</b>	<b>1,904</b>	<b>-5,001</b>	<b>-4,018</b>	<b>8,327</b>	<b>8,760</b>
Other operating income/ expenditure, net							92	-244
<b>Result from ordinary operations</b>							<b>8,420</b>	<b>8,516</b>