



Utimaco Safeware AG

Report on the First Six Months
of the Financial Year

2002/2003

(July to December 2002)

Kennzahlen im Überblick

Key figures at a glance

	Q2 2002/2003 Euro '000	Q2 2001/2002 Euro '000	1. HJ 2002/2003 Euro '000	1. HJ 2001/2002 Euro '000
Umsatz Sales	7.225	10.739	13.120	16.601
Herstellungskosten Cost of sales	-1.852	-2.484	-3.535	-4.927
EBITDA	680	1.123	119	-2.151
EBIT	472	757	-300	-3.224
Jahresüberschuss Net income	536	-4.736	-287	-8.628
Ergebnis nach DVFA DVFA result	536	-948	-10	-4.839
EPS	0,09	-0,84	-0,05	-1,52
EPS nach DVFA EPS due to DVFA	0,09	-0,17	0,00	-0,85
Cash Flow aus betrieblicher Tätigkeit Operating cash flow	-1.239	3.016	-1.864	2.279
Bilanzsumme Total assets	18.509	20.752*	18.509	20.752 *
Eigenkapital Equity	5.865	5.869*	5.865	5.869 *
Mitarbeiter (31.12.) Employees (31.12.)	218	333	218	333
Aktienanzahl unverwässert Number of shares undiluted	6.227.243	6.227.243*	6.227.243	6.227.243 *
Aktienanzahl verwässert Number of shares diluted	6.834.721	6.334.943*	6.834.721	6.334.943 *

* Zahlen zum Stichtag 30. Juni 2002

* Figures at the record date June 30, 2002

Dear shareholders

and friends of Utimaco Safeware,

After the successful re-organization of Utimaco Safeware to a specialized provider for workstation and transaction security in the financial year 2001/2002, the current financial year 2002/2003 is marked by consolidation. During the first half-year (July – December), a balanced EBITDA result on the basis of a drastically reduced cost block was achieved, and in the second quarter a positive operating result (EBIT). With a cash consumption of € 86,000, the liquidity situation of Utimaco Safeware has stabilized itself during the reporting period. Nevertheless, this situation is still unsatisfying. The relation between short-term liabilities and long-term tangible assets is almost balanced. At the end of the first half-year, the equity ratio amounts to 32% (June 30th, 2002: 28%).

By focusing on our core competences, we successfully enhanced the product and solution portfolio of the two business units Personal Device Security and Transaction Security and gained important awards in the first half-year of 2002/2003.

The hardware security module CryptoServer 2000 of the business unit Transaction Security e.g. received the authorization of the ZKA (Zentraler Kreditausschuss) for being used as a security server in electronic cash networks. This is another important milestone for the expansion of our market position which is already a leading one in Germany in the field of securing e-payment solutions. In November 2002, the SecurE-Mail Gateway was completed. Now, this innovative solution for pragmatic e-mail security which has been very well received in the IT and economic press, is specifically marketed by well-known partners within the SecurE-Mail Alliance founded by Utimaco Safeware.

In the business unit Personal Device Security, the product portfolio has been completed by new security solutions for Pocket PCs (SafeGuard PDA) and Desktop/Notebooks (SafeGuard Private Disk). Furthermore, the architecture of existing products has been optimized (SafeGuard Advanced Security). SafeGuard Easy, the flagship of Utimaco Safeware, was awarded as the best solution for hard-disk encryption and access protection by the "Secure Computing Magazin". Currently, Utimaco Safeware is offering the most comprehensive product portfolio in the field of workstation security (Personal Device Security) to the market.

At the beginning of the year, we decided to change into the new trading segment Prime Standard of the German Stock Exchange and have received the approval for this in February 2003. In doing so, we commit ourselves to continue to fulfil the same publicity and transparency criteria as are effective for the Neuer Markt, which the German Stock Exchange will close at the end of 2003. With this segment change, we will be admitted to the Software sector index and thus remain on the screen of international investors. To guarantee a good tradeability (liquidity) of our share, we will continue the designated sponsoring.

Concerning the development of our expenses and results, the fruits of our re-organization are already clearly visible. In spite of the weak economic cycle of our important customer segments (authorities, banks and insurances), we are in the target corridor of the aspired sustainable profitability. Along with a continuing restrictive cost management, we will continue to concentrate on the expansion of the operating strength of our two business units to achieve a profitable growth on these foundations.

Oberursel, February 2003

The Management Board

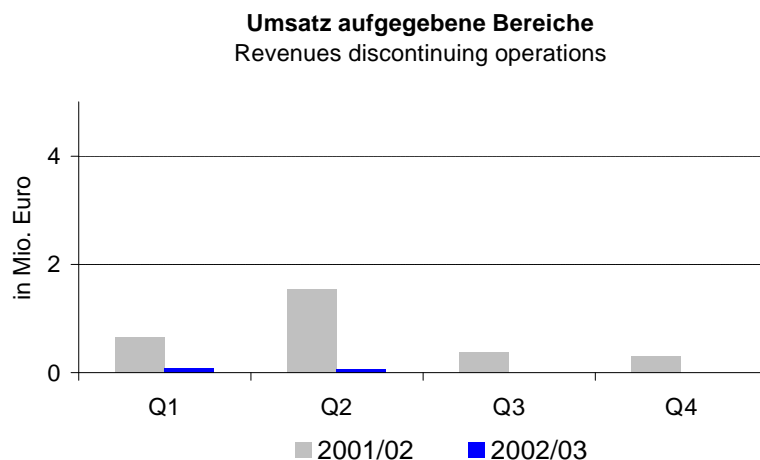
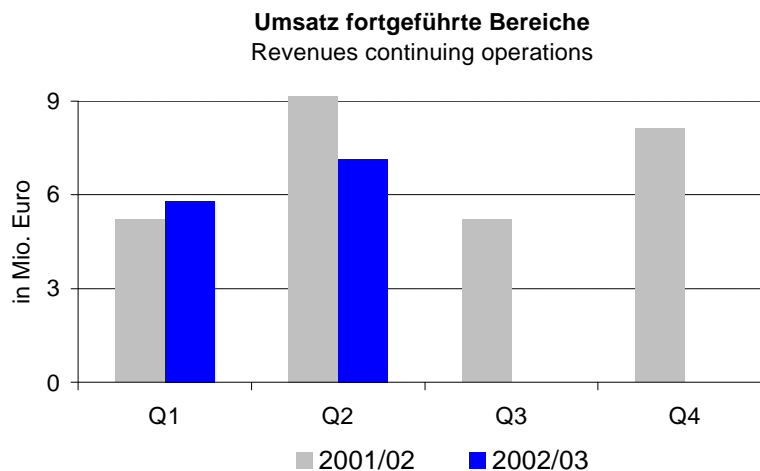
Comment on the Results of the 2nd Quarter 2002/03 (Sep. - Dec. 2002)

Revenue Development

In the second quarter of the current financial year, revenues amounting to € 7.2 million (previous year: € 10.7 million) have been achieved.

Hereof, € 7.1 million (previous year: € 9.2 million) account for products and services of the continued business units Personal Device Security and Transaction Security, including the revenues of third party products. The discontinuing units contributed only little to the total revenue, with less than € 0.1 million (previous year: € 1.6 million).

Compared to the same period of the previous year, the continued operations have achieved revenues decreased by € 2.1 million as a large order amounting to € 2.0 million in the second quarter of the previous period could not be repeated in the reporting period.

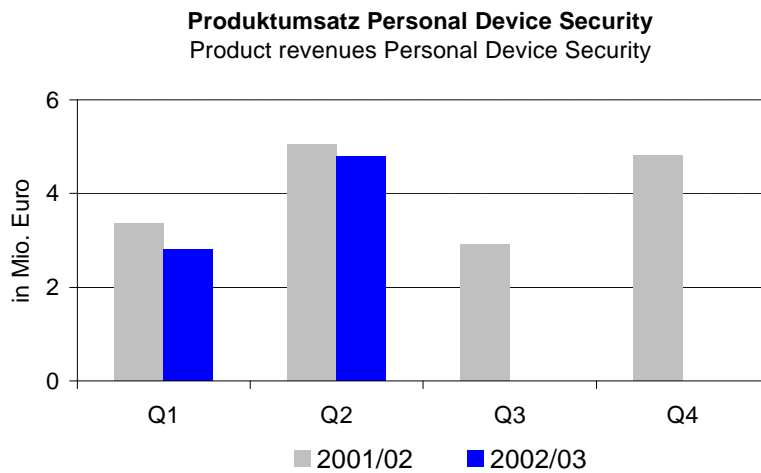


In the second quarter, the revenues generated domestically contributed 41% (previous year: 49%) to the total revenue.

Revenues by Product Ranges

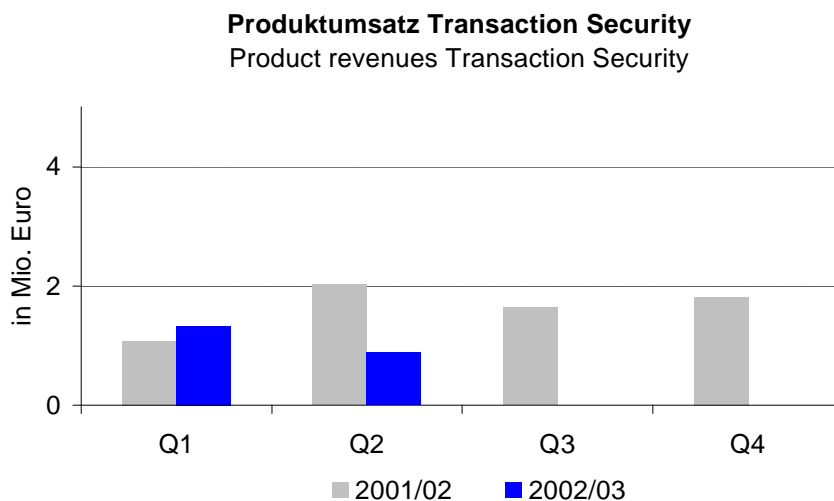
The products of the business unit Personal Device Security protect information and data on PCs, notebooks and PDAs by authentication and encryption from unauthorized access and manipulation.

During the second quarter, revenues of this business unit amounting to € 4.8 million were achieved and thus are on the level of the same period of the previous year (€5.0 million). The proportionate sales from a large order of the same period of the previous year amounted to € 1.3 million and could not be compensated completely during the reporting period.

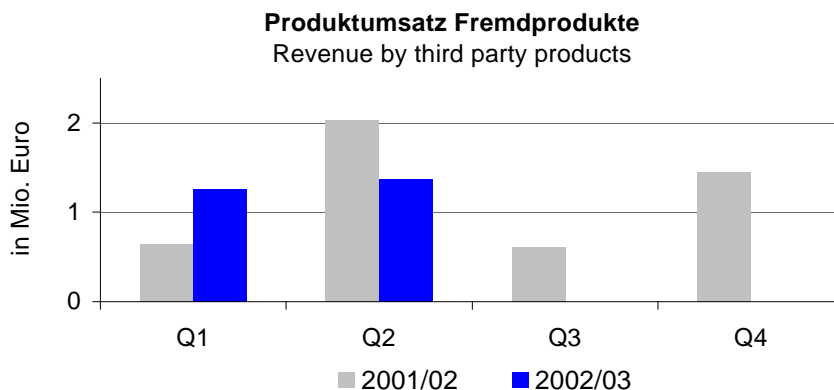


The products and solutions of the business unit Transaction Security stand for security solutions and platforms which guarantee that digital business processes are trustworthy and binding.

During the reporting period, revenues amounting to € 0.9 million (previous year: €2.0 million) were achieved by products and solutions of the business unit Transaction Security. The proportionate revenue from a large order of the previous year which had to be compensated amounted to € 0.7 million.



In the reporting period, the revenues achieved by third party products amounted to € 1.4 million and decreased as planned compared with the same period of the last year (previous year: € 2.0 million). In the second quarter, € 0.9 million (previous year: € 1.2 million) account for the smartcard and smartcard reader business.



By IT security trainings as well as implementation services, revenues amounting to € 0.1 million (previous year: € 0.1 million) were achieved in the second quarter of the current financial year.

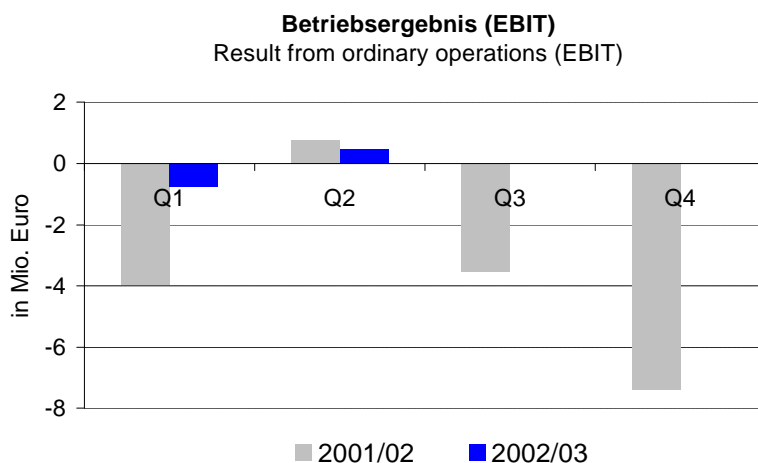
Development of Costs and Results

For sales and marketing, € 2.9 million (previous year: € 3.9 million) were spent in the second quarter. Proportionate to the revenues, the sales and marketing costs amounted to 40% (previous year: 37%).

The R&D costs amounted to € 1.1 million (previous year: € 2.1 million). Thus, 15% of the revenues achieved were spent on R&D (previous year: 19%).

The general and administrative costs amounted to € 0.9 million and, compared with the same period of the previous year, could also be reduced clearly (previous year: € 1.9 million). Proportionate to the revenues, the general and administrative costs in the second quarter totaled 13% (previous year: 18%).

In the second quarter, an operating result (EBIT) of € 0.5 million (previous year: € 0.8 million) was achieved. The EBIT margin amounted to 6.5 % (previous year: 7.0%).



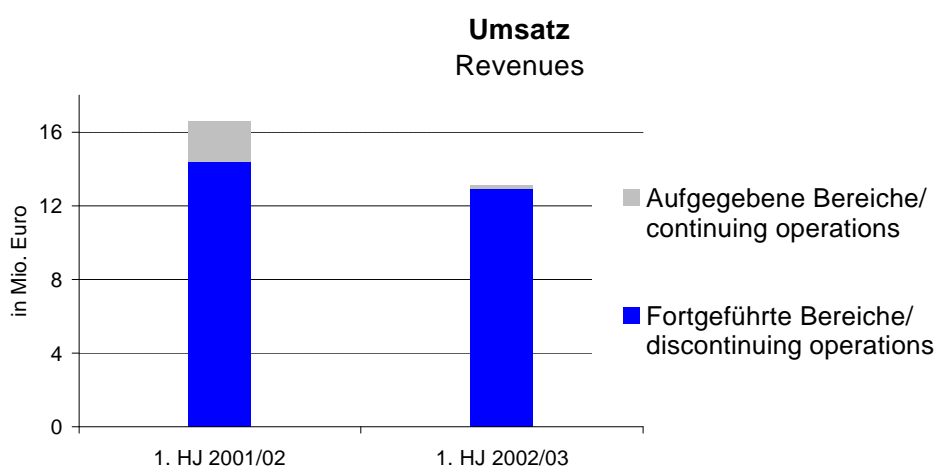
In the second quarter, the earnings after tax (EAT) amounted to €0.5 million (previous year: €-5.1 million). Thus, the undiluted result per share (EPS) amounted to €0.09 (previous year: €-0.84) in the second quarter.

In the second quarter, a result according to DVFA amounting to €0.5 million was achieved (same period of the previous year: €-1.0 million).

<p>Comment on the Results of the first Half-Year 2002/03 (Jul.- Dec. 2002)</p>

Revenue Development

In the first half-year of 2002/03, revenues amounting to €13.1 million (previous year: €16.6 million) were achieved. The revenue decrease amounting to €3.5 million is mainly due to the loss of the revenue contribution of the business units which were given up amounting to €2.0 million. Furthermore, a large order in the second quarter of the previous year amounting to €2.0 million could only partially be compensated for in the first quarter of the current financial year.



The revenues generated at home contributed 43% (previous year: 42%) to the total revenue in the first half-year.

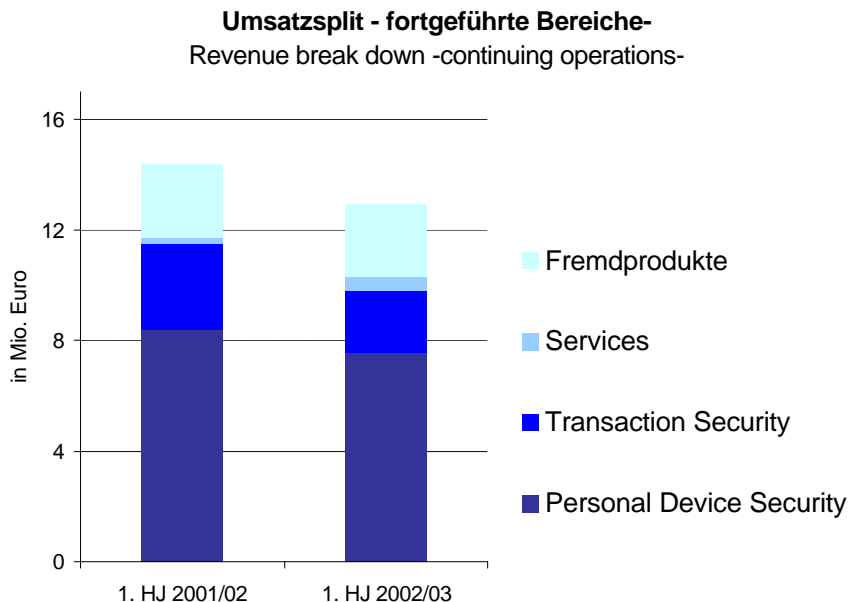
Revenue by Product Ranges

With the products of the business unit Personal Device Security, revenues amounting to €7.6 million (previous year: €8.4 million) have been achieved during the first six months. Thus, the proportionate revenue contribution from the large order amounting to €1.3 million from the comparing period could only partially be compensated for in the reporting period.

The products and solutions of the business unit Transaction contributed €2.2 million (previous year: €3.1 million) to the total revenue. The proportionate revenues which had to be compensated for from the large order of the previous year amounted to €0.7 million.

By IT security trainings and implementation services, revenues amounting to €0.5 million (previous year: €0.2 million) were generated in the first half-year.

In the reporting period, the revenues achieved by third party products amounted to €2.6 million (previous year: €2.7 million) and thus were at the same level as in the previous year. Hereof, €2.0 million (previous year: €1.6 million) were accounted for by the smartcard and smartcard reader business.



Cost and Revenue Development

In the first half-year, a gross profit amounting to €9.6 million (previous year: €11.7 million) has been achieved. During the reporting period, the gross margin was increased from 70% to 73%.

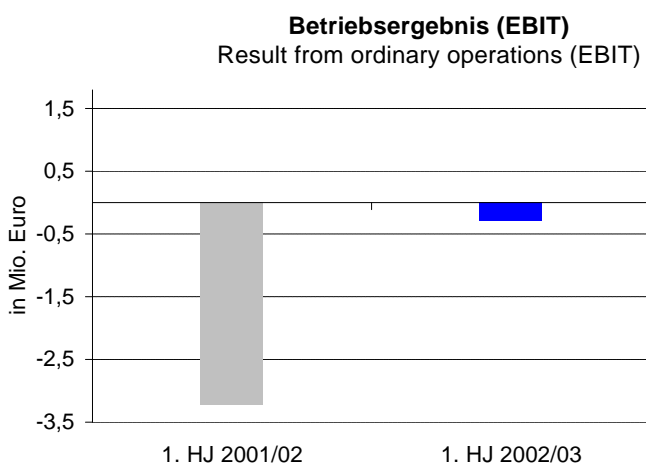
On sales and marketing, 5.7 million (previous year: €7.4 million) was spent. In relation to the revenues, the sales and marketing costs amounted to 43% (previous year: 44%).

The R&D expenses amounted to €2.1 million (previous year: €4.4 million). Thus, 16% of the revenues achieved were spent on R&D (previous year: 27%).

The general and administrative expenses amounted to €1.8 million (previous year: €3.5 million) and were also clearly reduced compared with the same period of the previous year. Proportionate to the revenues, the general and administrative expenses in the first half-year amounted to 14% (previous year: 21%).

Due to the sustainably reduced cost block, a balanced EBITDA result of €0.1 million (previous year: €-2.2 million) was achieved in the first half-year. Thus, the drastic loss situation of the previous years could be stopped.

The operating result (EBIT) amounted to €-0.3 million (previous year: €-3.2 million).



The earnings after tax (EAT) amounted to €-0.3 million (previous year: €-9.1 million). Thus, the drastic loss situation of the previous years could be stopped.

In the first half-year, the undiluted result per share (EPS) amounted to €-0.05 (previous year: €-1.52).

The result according to DVFA amounted to €-10,000 (previous year: € -4.8 million).

Comments on the individual balance sheet items

On December 31, 2002, Utimaco Safeware's balance sheet total amounted to € 18.5 million. Compared with June 30, 2002, this is a reduction of €2.2 million.

The short-term tangible assets decreased by € 1.0 million mainly due to the deconsolidation of the former Belgian Affiliate on July 1, 2002.

In the first half-year, the long-term tangible assets decreased by € 1.2 million. In the course of the deconsolidation of the former Belgian affiliate, the tangible fixed assets decreased by €0.2 million. Due to the agreement reached with Comparex during the reporting period regarding the amount of the remaining purchase price of the Kryptokom company taken over in the financial year 1999/00, the goodwill was decreased retroactively by €0.6 million. On December 31, 2002, the goodwill amounted to € 1.7 million and now is amortized with € 0.3 million annually until June 30, 2009. Furthermore, part of a long-term loan due to Utimaco Safeware amounting to €0.2 million was paid before the due date.

In the reporting period, the short-term liabilities decreased by € 3.6 million. Due to the deconsolidation of the former Belgian affiliate, the liabilities decreased by € 1.0 million. Furthermore, an interest bearing credit of €0.6 million has been changed into a long-term liability due to a new maturity agreement. The accruals decreased by € 1.6 million. Hereof, €0.9 million have been used due to the agreement with Comparex. The re-organization accruals were used according to plan with €0.7 million.

In the first half-year, the long-term liabilities increased by € 1.4 million. Hereof, € 0.6 accounted for re-grouping effects. A silent partnership amounting to €0.8 million

was agreed upon with the MBG Hessen, which is entitled to a conversion right into Utimaco Safeware shares. The silent partnership has an interest of 8.7 % p.a. Moreover, a profit participation of 2.5 % p.a., but € 20,000 p.a. maximum has been agreed. The silent partnership has been approved at the general annual meeting of Utimaco Safeware on November 28, 2002, and a conditional capital amounting to € 571,428 has been set up for the service of the conversion option.

On December 31, 2002, the total short-term assets amounted to € 9.4 million (June 30, 2002: € 10.1 million). The short-term liabilities amounted to € 10.1 million (June 30, 2002: € 13.7 million).

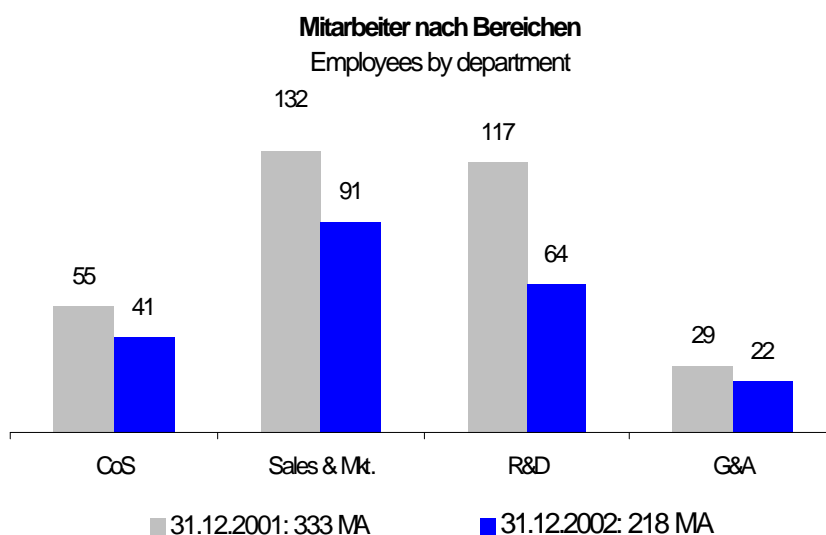
On December 31, 2002, the equity ratio totaled 32 % (June 30, 2002: 28%).

Cash Flow

In the reporting period, liquid assets amounting to 86 TEURO were spent (previous year: € + 3.4 million). On December 31, 2002, the cash amounted to € 1.9 million (June 30, 2002: € 1.9 million).

Employees

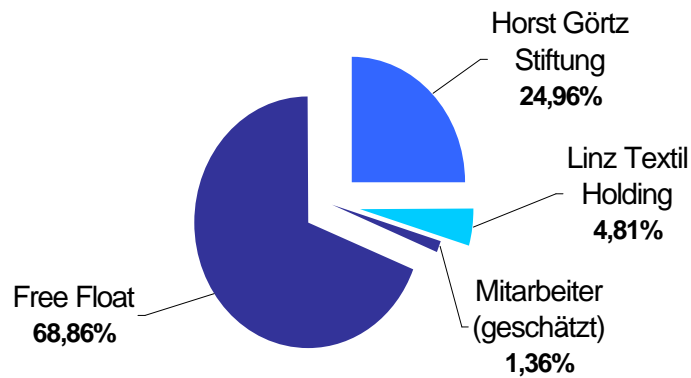
On December 31, 2002, Utimaco Safeware employed 218 employees (December 31, 2001: 333 employees). Hereof, 38% of the employees were working abroad (previous year: 38%) and 62% in Germany (previous year: 62%).



Shareholder Structure

In the reporting period, there were no changes known to the company in the shareholder structure.

Aktionärsstruktur
Shareholder Structure



Reportable Transactions

In the first half-year of the financial year 2002/2003, no reportable transactions have been carried out by the members of Utimaco Safeware AG.

At the due day of December 31, 2002, the following number of shares was owned by the management board and the supervisory board:

Management Board	Number of Shares on Dec 31, 2002 <u>in pieces</u>
Martin Wülfert	0
Christian Bohne	0
Dr. Norbert Pohlmann	2.000
Supervisory Board	
Horst Görtz	64.386
Helmuth Coqui	2.000
Geralt Goder	0
Franz E. Lemmerhofer	0
Dr. Manfred Schlottke	0
Bernd Schroeder	250

Changes in the Management Board and the Supervisory Board

Effective October 14, 2002, Martin Wülfert was appointed to a member of the management board of Utimaco Safeware as Chief Executive Officer (CEO).

After the restructuring of the company under the responsibility of Christian Bohne (Chief Financial Officer), Mr. Wülfert is responsible for the operative and strategic management of the business units Personal Device Security and Transaction Security and for the further development of the company strategy.

Christian Bohne is responsible for the Finance, Personnel, Law and Investor Relations departments. Dr. Norbert Pohlmann is responsible for the technology aspects of the LOB strategies, Corporate Communication and Lobbying. Moreover, he supports events initiated by the LOBs and the organization of trainings.

In the course of the annual general meeting on November 28, 2002, Prof. Dr. Heinz Thielmann, according to the cycle, has left the supervisory board of Utimaco Safeware.

As his successor, Mr. Geralt Goder was elected into the supervisory board. Mr Goder is General Manager of MBG Hessen.

Outlook

After a positive second quarter, we have almost reached the break-even in the half-year run. The liquidity situation has stabilized itself, however, not quite to the level that we wish for. In the second half-year of the current financial year, we will consequently continue our course of consolidation and stabilize the break-even situation. On this basis, we want to lead Utimaco Safeware towards a sustainable profitability and thus create a solid basis for future growth.

Financial Calendar

Publication of Q3 figures	May 30, 2003
Publication of the Q4 figures and the figures of the Financial Year 2002/2003, DVFA Analyst Conference and Press Conference	September 30, 2003
Publication of the Annual Report 2002/2003	October 15, 2003
Annual General Meeting 2003	November 27, 2003

Konzern- Gewinn- und Verlustrechnung nach IAS

Income Statement due to IAS

	Q2 2002/2003 Euro' 000	Q2 2001/2002 Euro' 000	1.HJ 2002/2003 Euro' 000	1. HJ 2001/2002 Euro' 000
Umsatzerlöse Sales	7.225	10.739	13.120	16.601
Herstellkosten der zur Erzielung der Umsatzerlöse erbrachten Leistung Costs of sales	-1.852	-2.484	-3.535	-4.927
Bruttoergebnis vom Umsatz Gross profit on sales	5.372	8.255	9.585	11.674
Vertriebs- und Marketingkosten Selling and marketing expenses	-2.909	-3.940	-5.689	-7.366
Forschungs- und Entwicklungskosten Research and development	-1.117	-2.081	-2.105	-4.421
Allgemeine Verwaltungskosten General administrative expenses	-923	-1.919	-1.803	-3.467
Summe operative Kosten Total operating expenses	-4.949	-7.940	-9.597	-15.253
Firmenwertabschreibung aus Aquisitionen Goodwill amortisation from aquisitions	-65	-139	-129	-278
Sonstige betriebliche Erträge/Aufwendungen, netto Other operating income/expense, net	114	581	-159	633
Ergebnis der betrieblichen Tätigkeit Result from ordinary operations	472	757	-300	-3.224
Erträge/Aufwendungen aus assoziierten Unternehmen Income/expense from associated+A59 companies	50	-1.753	50	-1.753
Restrukturierungsaufwendungen Restructuring costs	0	-3.788	0	-3.788
Finanzergebnis Financial result	-34	-20	-67	-53
Ergebnis vor Steuern Earnings before taxes	488	-4.804	-317	-8.818
Steuern vom Einkommen und vom Ertrag Taxes on income	48	-298	30	-243
Ergebnis nach Steuern Earnings after taxes	536	-5.102	-287	-9.061
Anteile Dritter am Ergebnis Minority interests	0	366	1	434
Jahresüberschuss/Fehlbetrag Net income/net loss	536	-4.736	-286	-8.628
Ergebnis je Aktie (unverwässert) Net income per share (basic)	0,09	-0,84	-0,05	-1,52
Ergebnis je Aktie (verwässert) Net income per share (diluted)	0,08	-0,83	-0,05	-1,51
Gewichteter Durchschnitt ausstehender Aktien (unverwässert) Weighted average shares outstanding (basic)	6.227.243	5.665.494	6.227.243	5.665.494
Gewichteter Durchschnitt ausstehender Aktien (verwässert) Weighted average shares outstanding (diluted)	6.355.810	5.738.420	6.329.509	5.710.040

Konzernbilanz nach IAS
Balance Sheet due to IAS

Aktiva/Assets

Vermögenswerte Assets	31. Dez 02 EUR	30. Jun 02 EUR
Kurzfristige Vermögenswerte Short-term assets		
Zahlungsmittel Cash and cash equivalents	1.855.959	1.941.597
Forderungen aus Lieferungen und Leistungen, netto Accounts receivable	5.949.047	6.821.929
Vorräte Inventories	518.125	486.730
Sonstige kurzfristige Vermögenswerte Other short-term assets	715.453	832.045
Summe kurzfristige Vermögenswerte Short-term assets	9.038.584	10.082.301
Langfristige Vermögenswerte Long-term assets		
Langfristige Forderungen Long-term accounts receivable	0	0
Langfristige Finanzanlagen Long-term financial assets	720.502	940.502
Anteile/Anzahlungen auf Anteile an assoziierten Unternehmen Shares and payments for shares in associates	4.600.518	4.550.046
Sachanlagen Property, plant and equipment	531.983	929.455
Immaterielle Vermögenswerte Intangible assets	1.982.881	2.542.267
Latente Steueransprüche Deferred taxes	0	0
Sonstige langfristige Vermögenswerte Other long-term assets	1.634.957	1.706.957
Summe langfristige Vermögenswerte Long-term assets	9.470.841	10.669.227
Summe Vermögenswerte Total assets	18.509.425	20.751.528

Konzernbilanz nach IAS
Balance Sheet due to IAS

Passiva/Liabilities and shareholders equity

Eigenkapital und Verbindlichkeiten Liabilities and shareholders' equity	31. Dez 02 EUR	30. Jun 02 EUR
Kurzfristige Verbindlichkeiten Short-term liabilities		
Verbindlichkeiten gegenüber Kreditinstituten Liabilities due to banks	1.154.922	1.169.494
Verbindlichkeiten aus Lieferungen und Leistungen Trade payables	2.933.388	2.930.027
Erhaltene Anzahlungen Prepayments received	294.238	98.456
Sonstige Verbindlichkeiten Other liabilities	1.894.421	3.235.124
Verbindlichkeiten aus Ertragsteuern Liabilities on taxes on income	0	0
Steuerrückstellungen Tax accruals	17.801	30.703
Rückstellungen Other accruals	1.118.035	2.733.460
Passiver Rechnungsabgrenzungsposten Deferred income	2.721.329	3.523.760
Summe kurzfristige Verbindlichkeiten Short-term liabilities	10.134.134	13.721.024
Langfristige Verbindlichkeiten Long-term liabilities		
Verbindlichkeiten gegenüber Kreditinstituten Liabilities due to banks	0	0
Langfristige verzinsliche Darlehen abzügl. des kurzfristigen Teils Long-term interest loan, less the short-term part	1.350.000	0
Latente Steuern Deferred taxes	88.656	88.656
Rückstellungen für Pensionen Pension accruals	1.072.631	1.073.196
Summe langfristige Verbindlichkeiten Long-term liabilities	2.511.287	1.161.852
Minderheitenanteile Minority interest	-802	0
Einlage zur Durchführung einer beschlossenen Kapitalerhöhung Deposits for the transaction of a decided capital increase	0	0
Eigenkapital Shareholders' equity		
Gezeichnetes Kapital Share capital	6.227.243	6.214.343
Kapitalrücklagen Capital reserve	27.839.490	27.594.390
Ausgleichsposten für Währungsumrechnung Adjustment item for minority interests/ foreign currency translation	169.172	144.478
Bilanzgewinn/-verlust Retained earnings/Accumulated defic+A26it	-28.371.099	-28.084.559
Summe Eigenkapital Shareholders' equity	5.864.806	5.868.652
Summe Total liabilities and shareholders' equity	18.509.425	20.751.528

Kapitalflussrechnung nach IAS

Cash-Flow Statement due to IAS

	Q2 2002/2003 Euro '000	Q2 2001/2002 Euro '000	1. HJ 2002/2003 Euro '000	1. HJ 2001/2002 Euro '000
Cash-Flow aus betrieblicher Tätigkeit				
<i>Cash flow from operating activities</i>				
Ergebnis vor Ertragsteuern und Anteilen anderer am Ergebnis	488	-4.804	-317	-8.818
<i>Net income before taxes on income</i>				
Korrekturen des Jahresergebnisses zur Überleitung auf den Zahlungsstrom aus betrieblicher Tätigkeit				
- Abschreibungen auf Sachanlagen und immaterielle Vermögensgegenstände	137	367	278	1.073
- Depreciation on property, plant and equipment and intangible assets				
- Anpassung Firmenwert Kryptokom	0	0	-205	0
- Adjustment on Goodwill				
- Abschreibungen Firmenwert	71	0	142	0
- Depreciation on goodwill				
- Abschreibungen auf Finanzanlagen	14	1.751	44	1.751
- Depreciation on financial assets				
- Veränderung der Pensionsrückstellungen	-5	10	-1	20
- Change in pension accruals				
- Veränderung anderer zahlungsunwirksamer Posten	80	-438	54	-244
- Change in other not-cash items				
- Zinserträge/Zinsaufwendungen	20	20	23	53
- Interest income / expenses				
- Steuerzahlungen	0	0	0	0
- Tax refunds / payments				
Zwischensumme	805	-3.094	18	-6.164
<i>Subtotal</i>				
Veränderung der Aktiva und Passiva:				
<i>Changes in assets and liabilities</i>				
- Veränderung der Vorräte	-31	242	-31	165
- Change in inventories				
- Veränderung der Forderungen, sonstigen Vermögensgegenstände und aktiver Rechnungsabgrenzungsposten	-1.501	4.633	303	5.632
- Change in accounts receivable, other assets and deferred income				
- Veränderung der kurzfristigen Steuerverbindlichkeiten/Forderungen	12	465	8	53
- Change in short-term tax liabilities / accounts receivable				
- Veränderung sonstige kurzfristige Verbindlichkeiten inklusive Rückstellungen	-525	771	-2.162	2.594
- Change in short-term liabilities including accruals				
Zahlungsmittelsaldo aus betrieblicher Tätigkeit	-1.239	3.016	-1.864	2.279
<i>Net cash flow from operating activities</i>				
Cash-Flow aus dem Investitionsbereich				
<i>Cash flow from investment activities</i>				
- Investitionen in Sachanlagen und immaterielle Vermögensgegenstände	0	-50	112	181
- Change in property, plant and equipment and intangible assets				
- Erlöse aus dem Verkauf von Betriebs- und Geschäftsausstattung	0	0	0	0
- Proceeds of fixtures, furniture and office equipment				
- Veränderung des auf Minderheitsgesellschafter entfallenden Eigenkapitals	0	0	0	0
- Change in capital of minority interest				
- Investitionen in Finanzanlagen	125	-375	125	-385
- Investment in financial assets				
- Zahlungsunwirksame Veränderung von Wertpapieren des Umlaufvermögens	0	0	0	0
- Change in non-cash securities classified as fixed assets				
- Akquisitionen	0	0	0	0
- Acquisition				
- Zinseinnahmen	24	25	37	26
- Interest receipts				
Zahlungsmittelsaldo aus Investitionstätigkeit	149	-400	275	-178
<i>Net cash flow from investment activities</i>				
Cash-Flow aus dem Finanzierungsbereich				
<i>Cash flow from investment activities</i>				
- Abgang eigener Anteile	0	0	258	0
- Disposal of own shares				
- Tilgung Kaufpreis KryptoKom	0	0	0	0
- Repayment of purchase price KryptoKom				
- Tilgung langfristiger Bankdarlehen	0	0	0	0
- Repayment of long-term bank loan				
- Aufnahme langfristiger Verbindlichkeiten	800	0	800	0
- Raising of long-term liabilities				
- Zinsausgaben	-57	2	-104	-46
- Interest payments				
- Veränderung langfristiger Verbindlichkeiten	550	0	550	0
- Change in long-term liabilities				
- Kapitalerhöhungen (saldiert mit Kosten des Börsenganges)	0	1.348	0	1.348
- Capital increases				
Zahlungsmittelsaldo aus Finanzierungstätigkeit	1.293	1.351	1.504	1.302
<i>Net cash flow from investment activities</i>				
Zunahme/Abnahme der liquiden Mittel	203	3.967	-86	3.403
<i>Decrease/increase in cash and cash equivalents</i>				
Liquide Mittel zu Beginn der Periode	1.653	1.105	1.942	1.669
<i>Cash and cash equivalents beginning of periode</i>				
Liquide Mittel am Ende der Periode	1.856	5.073	1.856	5.073
<i>Cash and cash equivalents end of periode</i>				

KONZERN-EIGENKAPITALGLIEDERUNG NACH IAS ZUM 31.12. 2002

Consolidated Changes in Equity according to IAS
as of Dec 30, 2002

	Anzahl ausgegebener Stückaktien	Gezeichnetes Kapital	Kapitalrücklage	Ausgleichsposten für negative Drittanteile/ Währungsumrechnung	Bilanzgewinn	Summe Eigenkapital
	Number of ordinary shares issued	Share capital	Capital reserve	Adjustment item for minority interests (liability) foreign currency translation	Retained earnings	Total equity
	<u>Stück</u>	<u>Euro</u>	<u>Euro</u>	<u>Euro</u>	<u>Euro</u>	<u>Euro</u>
Stand 30. Juni 2000 Balance June 30, 2002	5.632.494	5.632.494	26.909.491	103.877	2.939.768	35.585.630
Kapitalerhöhung vom 11. September 2000 Capital increase as of September 11, 2002	33.000	33.000	143.550			176.550
Jahresfehlbetrag Net loss for the year					-16.369.284	-16.369.284
Erwerb eigene Anteile Purchase of own shares	-12.900	-12.900	-245.100			-258.000
Ausgleichsposten Währungsumrechnung Adjustment item for currency translation				7.359		7.359
Stand 30. Juni 2001 Balance June 30, 2001	5.652.594	5.652.594	26.807.941	111.236	-13.429.516	19.142.255
Kapitalerhöhung vom 6. Februar 2002 Capital increase as of February 6, 2002	561.749	561.749	786.449			1.348.198
Jahresfehlbetrag Net loss for the year					-14.655.043	-14.655.043
Ausgleichsposten Währungsumrechnung Adjustment item for currency translation				33.242		33.242
Stand 30. Juni 2002 Balance June 30, 2002	6.214.343	6.214.343	27.594.390	144.478	-28.084.559	5.868.652
Abgang eigener Anteile Disposal of own shares	12.900	12.900	245.100			258.000
Periodenfehlbetrag Net loss for the period					-286.540	-286.540
Ausgleichsposten Währungsumrechnung Adjustment item for currency translation				24.694		24.694
Stand 31. Dez. 2002 Balance Dec. 31, 2002	6.227.243	6.227.243	27.839.490	169.172	-28.371.099	5.864.806

Accounting Rules and Methods

In the quarterly report, Utimaco Safeware AG and all of its affiliates are included according to the method of full consolidation. The quarterly report has been prepared in Euro according to the International Accounting Standards (IAS) and does not differ from the accounting rules and methods compared with the group's annual financial statements of the financial year 2001/2002 which ended on June 30, 2002.

Order Situation – Seasonality

In general, Utimaco Safeware delivers its products and solutions shortly after the order is received and normally does not have a considerable backlog of orders. The sales of products and solutions predominantly depend on the received and accomplished orders of the respective quarter and cannot be predicted for sure.

Typically, more than half of the contract closures in the IT sector are accounted for during the last weeks of the quarter. In the past, Utimaco Safeware has been subject to considerable seasonal variations as far as the operational quarterly results are concerned and expects this for the future as well. Regarding revenues and results, the first quarter (July 1 to September 30) and the third quarter (January 1 to March 31) of the financial year generally are the weakest ones.