



Utimaco Safeware AG

Report on the First Nine Months
of the Financial Year

2002/2003

(July 2002 to March 2003)

Kennzahlen im Überblick

Key figures at a glance

	Q3 2002/2003 Euro '000	Q3 2001/2002 Euro '000	9 months 2002/2003 Euro '000	9 months 2001/2002 Euro '000
Umsatz Sales	5.963	5.597	19.083	22.198
Herstellungskosten Cost of sales	-1.399	-2.205	-4.934	-7.132
EBITDA	405	-3.087	524	-5.238
EBIT	229	-3.564	-71	-6.788
Jahresüberschuss Net income	230	-3.768	-57	-12.396
Ergebnis nach DVFA DVFA result	-285	-3.769	-295	-8.608
EPS	0,04	-0,61	-0,01	-1,99
EPS nach DVFA EPS due to DVFA	-0,05	-0,61	-0,05	-1,38
Cash Flow aus betrieblicher Tätigkeit Operating cash flow	627	-3.772	-1.237	-1.493
Bilanzsumme Total assets	17.012	20.752*	17.012	20.752*
Eigenkapital Equity	6.112	5.869*	6.112	5.869*
Mitarbeiter (31.03.) Employees (March 31)	211	313	211	313
Aktienanzahl unverwässert Number of shares undiluted	6.227.243	6.227.243*	6.227.243	6.227.243*
Aktienanzahl verwässert Number of shares diluted	6.828.721	6.334.943*	6.828.721	6.334.943*

* Zahlen zum Stichtag 30. Juni 2002

* Figures at the record date June 30, 2002

Dear shareholders

and friends of Utimaco Safeware,

Also in the third quarter (January to March) of the current financial year 2002/2003 the positive development of the company could be continued since its successful re-organization to a specialized provider for workplace and transaction security. In the third quarter, the continued business units achieved a revenue of €5.9 million which represents an increase of 14 % compared to the previous period.

Compared to a loss of Euro -3.6 million in the same quarter of the previous year, an operating result (EBIT) of €0.2 million, improved by a revenue of Euro 0.5 million relating to another period, could be achieved. In the first nine months, the EBIT result was almost balanced with €-0.1 million compared to a loss of €-6.8 million in the previous period. In the first nine months of the current financial year, the EBITDA result amounted to €0.5 million compared to an EBITDA loss of €-5.2 million in the previous period.

In the first nine months of the current fiscal year, the liquidity situation of Utimaco Safeware has continued to stabilize itself with a cash increase of about €0,8 million in the third quarter. At the end of the reporting period, the liquid assets amounted to Euro 2.7 million. Despite this success, the liquid situation is not quite to the level that we wish for.

The consequent orientation of Utimaco Safeware to a product business in the area of workplace security and to a project business in the area of transaction security is proceeding according to plan. Thus, both business units could achieve further successes in their respective market segments in the third quarter.

In the area Personal Device Security a general agreement with IS Energy, IT service provider and wholly-owned subsidiary of E.ON, the world-wide largest private energy service provider in Europe, about the implementation of SafeGuard® Easy could be achieved. Furthermore, SafeGuard® Easy has won a comparison test of the magazine Network Computing. Among the world-wide leading security systems for notebooks the flagship of Utimaco Safeware has become a reference solution. In the future market of security solutions for Pocket PCs the business unit Personal Device Security was able to win O₂ Germany as an important partner for the marketing of its product line SafeGuard® PDA. O₂ is now promoting the security solutions of Utimaco Safeware for the new Smartphone xda in projects with their business customers.

The business unit Transaction Security could expand its successes with PKI projects (Public Key Infrastructure) in Eastern Europe. PKI is an enabling technology for trustworthy e-government and e-business. In addition to the Bulgarian Government, now also the trustcenter of the Bulgarian banks and MAV Informatika, IT service provider of the Hungarian railway, are using the PKI technology of Utimaco Safeware. By the accreditation through the respective national authorities, (comparable to the German RegTP) both trustcenters now are able to offer their business customers certificates for qualified digital signatures according to the EU directive for the electronic signature.

The positive effects of our re-organization are also significantly visible in our traditionally weak third quarter. In spite of the weak economic cycle of our important customer segments (public authorities, banks and insurances), we are further on 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 this foundation.

Oberursel, May 2003

The Management Board

Comment on the Results of the 3rd Quarter 2002/03

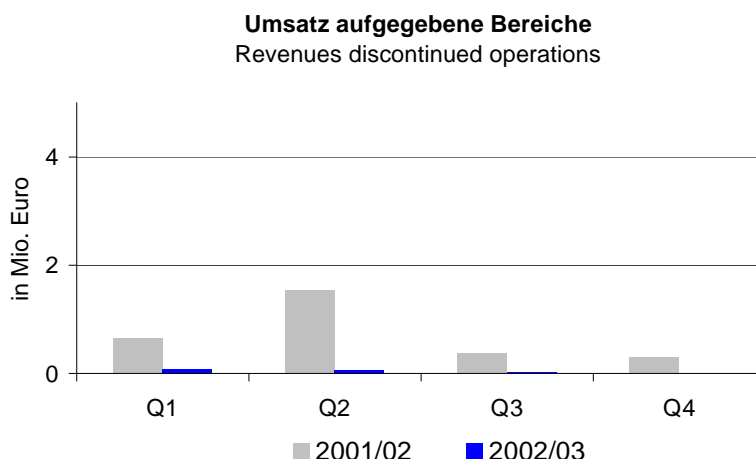
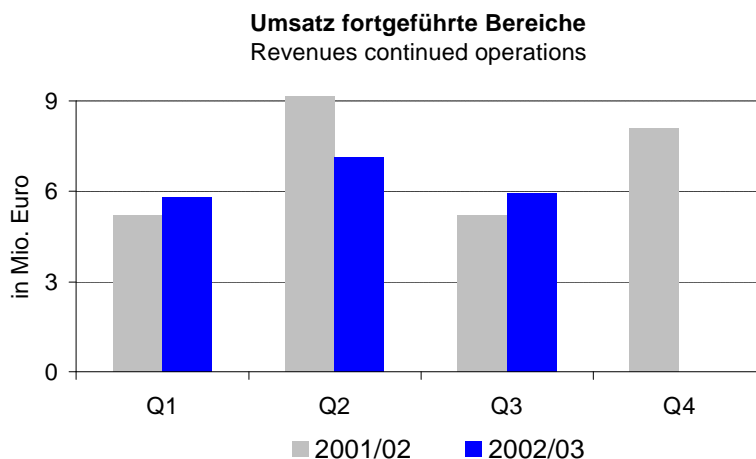
(January 2003 - March 2003)

Revenue Development

In the third quarter of the current financial year, revenues amounting to € 6.0 million (previous year: € 5.6 million) were achieved.

Hereof, € 5.9 million (previous year: € 5.2 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 discontinued units contributed only little to the total revenue, with less than € 0.1 Mio. (previous year: € 0.4 million).

In the third quarter, the continued operations increased about almost 14 % compared to the same period of the previous year.

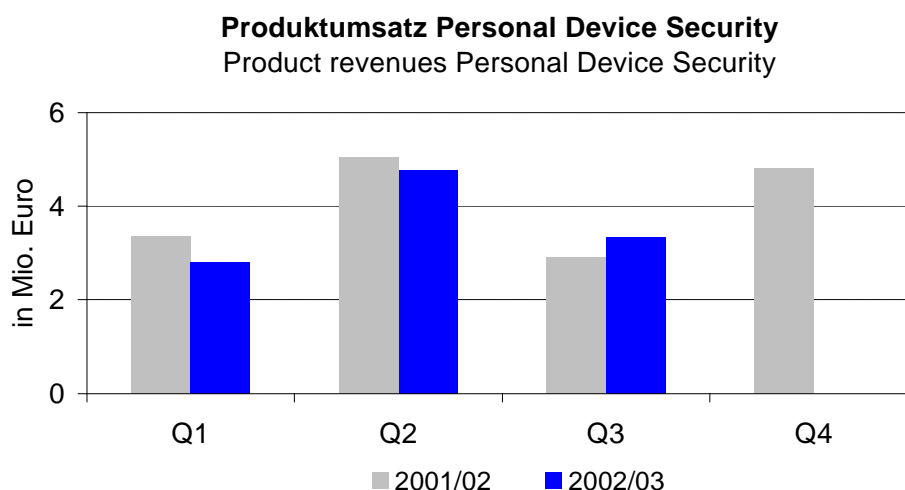


In the third quarter, the revenues generated domestically contributed 46 % (previous year: 45%) to the total revenue.

Revenues by Product Ranges

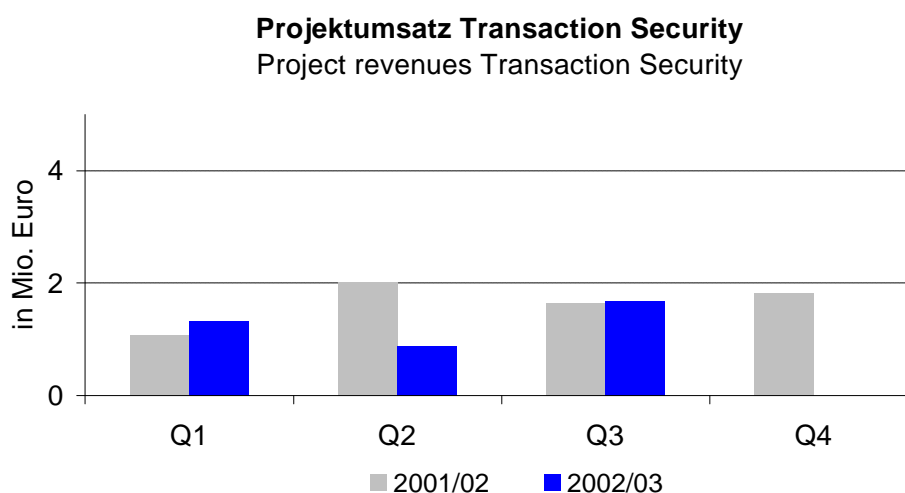
The products of the business unit Personal Device Security protect information and data on PCs, notebooks and PDAs by authentication and encryption from unauthorized access and manipulation.

During the third quarter, revenues of this business unit amounting to € 3.3 million were achieved, which represents a growth of 14 % compared to the same period of the previous year (€ 2.9 million).

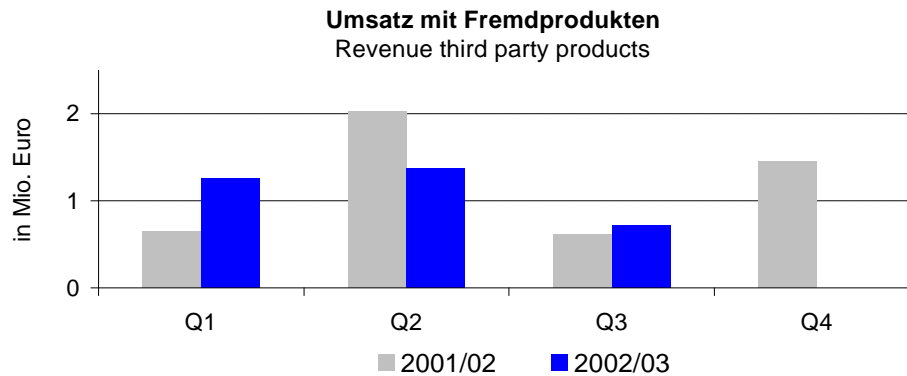


The business unit Transaction Security follows a project oriented approach and develops customer specific security solutions based on own technology platforms for trustworthy digital business processes.

By projects and solutions of the business unit Transaction Security revenues amounting to € 1.7 million were achieved in the reporting period, which is similar to the revenue of the previous year's period.



In the reporting period, the revenues achieved by third party products amounted to € 0.7 million and thus were as planned on a similar low level like in the same period of the last year (previous year: € 0.6 million). Hereof, € 0.6 million (previous year: € 0.4 million) accounted for the smartcard and smartcard reader business.



By IT security trainings as well as implementation services, revenues amounting to €0.2 million (previous year: €0.05 million) were achieved in the third quarter of the current financial year.

Development of Costs and Results

In the first nine months, a gross profit amounting to €4.6 million (previous year: €3.4 million) was achieved. During the reporting period, the gross margin was increased from 61 % to 78 %.

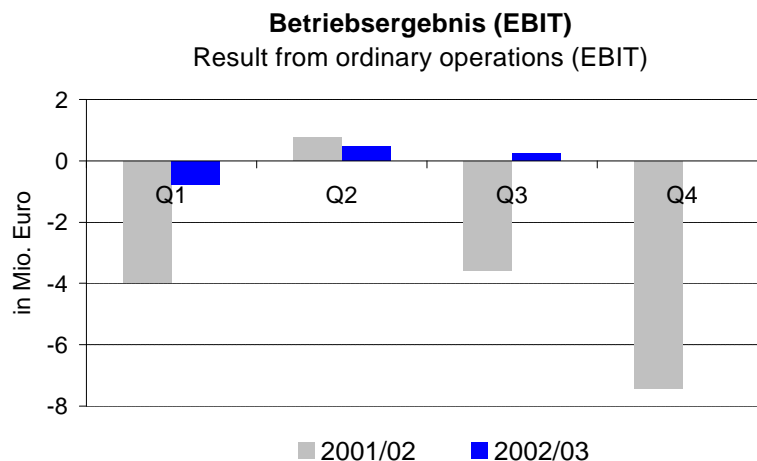
By a continuous restrictive cost management the operating expenses during the third quarter (€4.9 million) could be decreased by 29 % compared to the same period of the previous year (€6.9 million).

For sales and marketing, €2.7 million (previous year: €4.2 million) were spent in the third quarter. Proportionate to the revenues, the sales and marketing expenses amounted to 46 % (previous year: 74 %).

The R&D expenses amounted to €1.1 million (previous year: €1.4 million). Thus, 18 % of the revenues achieved were spent on R&D (previous year: 25 %).

The general administrative expenses amounted to €1.1 million (previous year: €1.3 million). Proportionate to the revenues, the general and administrative costs amounted to 18 % (previous year: 24 %).

In the third quarter, an operating result (EBIT) of €0.2 million (previous year: €-3.6 million) was achieved, improved by a revenue relating to another period of €0.5 million. The EBIT margin amounted to 3.8 % (previous year: -63.7%).



In the third quarter, the earnings after tax (EAT) amounted to €0.2 million (previous year: €-3.7 million). Thus, the undiluted result per share (EPS) amounted to €0.04 (previous year: €-0.61) in the third quarter.

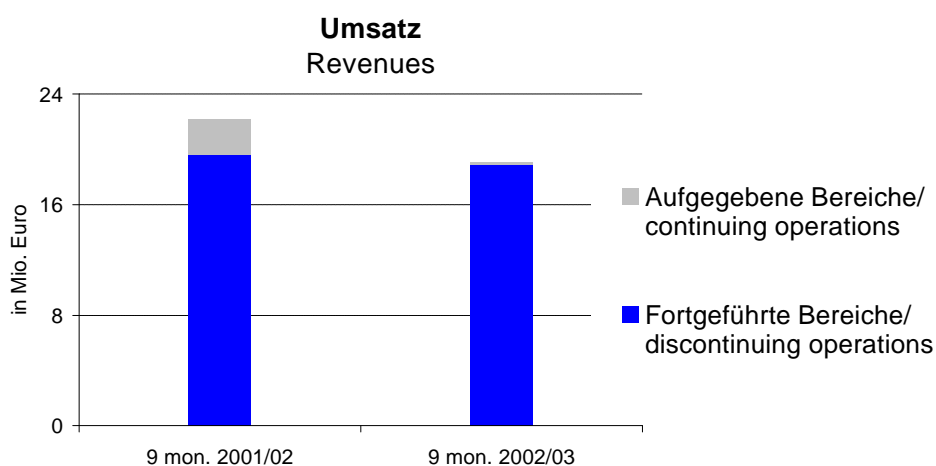
In the third quarter, a result according to DVFA amounting to €-0.3 million was achieved (previous year: €-3.8 million).

Comment on the Results of the first Nine Months 2002/03

(July 2002 – March 2003)

Revenue Development

In the first nine months of 2002/03, revenues amounting to €19.1 million (previous year: €22.2 million) were achieved. The revenue decrease of €3.1 million is mainly due to the loss of the revenue contribution of the discontinued business units amounting to €2.6 million. Furthermore, a large order in the second quarter of the previous year amounting to €2.0 million could not completely be compensated for in the reporting period.



The revenues generated domestically contributed 44 % (previous year: 43 %) to the total revenue.

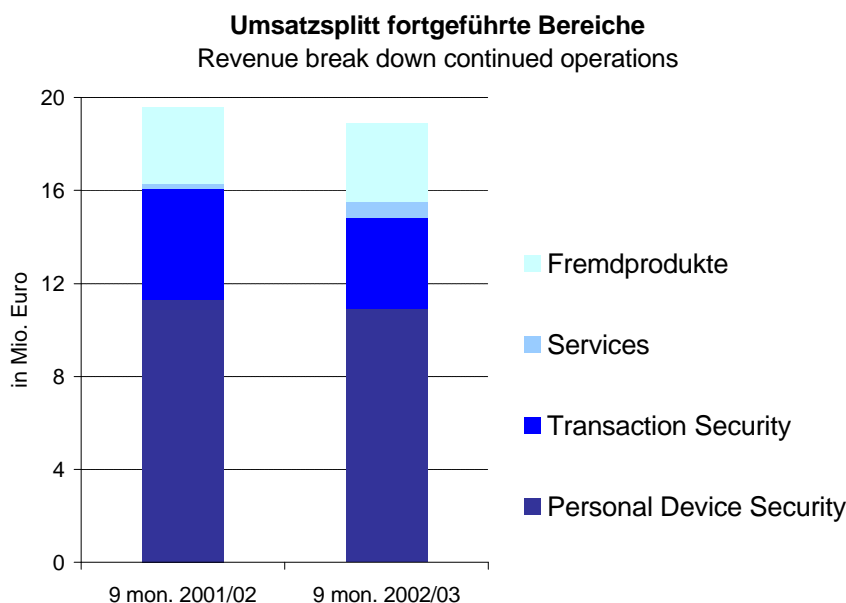
Revenue by Product Ranges

With the products of the business unit Personal Device Security, revenues amounting to €10.9 million (previous year: €11.3 million) were achieved in the first nine months. Thus, the proportionate revenue contribution of the large order amounting to €1.3 million from the comparing period could only be partially compensated in the reporting period.

The projects and solutions of the business unit Transaction Security contributed €3.9 million (previous year: €4.8 million) to the total revenue. The proportionate revenues which had to be compensated from the large order of the previous year amounted to €0.7 million.

By IT security training and implementation services, revenues amounting to €0.7 million (previous year: €0.3 million) were generated in the first nine months of the current fiscal year.

In the reporting period, the revenues achieved by third party products amounted to €3.4 million (previous year: €3.3 million) and thus were at the same level as in the previous year. Hereof, €2.5 million (previous year: €2.1 million) were accounted for the by the smartcard and smartcard reader business.



Cost and Revenue Development

In the first nine months, a gross profit amounting to €14.2 million (previous year: €15.1 million) was achieved. During the reporting period, the gross margin was increased from 68 % to 74 %.

By a continuing restrictive cost management the operating expenses (Sales and Marketing expenses, R&D expenses and General Administration expenses) during the first nine months could be decreased by 35 % to €14.5 million (previous year €22.2 million).

On sales and marketing, €8.4 million (previous year: €11.5 million) was spent. In relation to the revenues, the sales and marketing expenses amounted to 44 % (previous year: 52 %).

The R&D expenses amounted to €3.2 million (previous year: €5.8 million). Thus, 17 % of the revenues achieved were spent on R&D (previous year: 26 %).

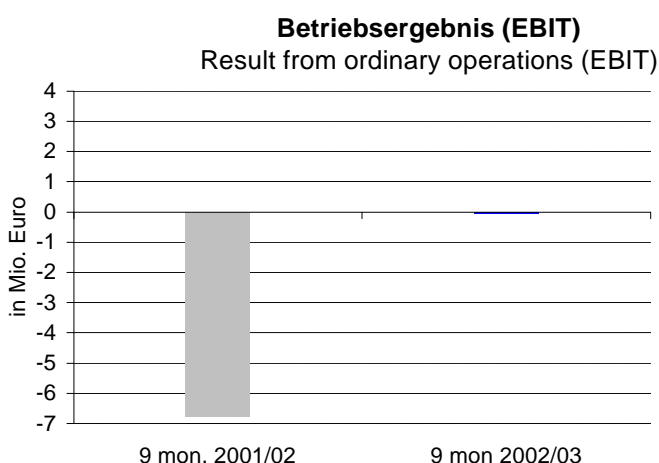
The general administrative expenses amounted to €2.9 million (previous year: €4.8 million) and were also clearly reduced compared to the same period of the previous year. Proportionate to the revenues, the general administrative expenses in the reporting period amounted to 15 % (previous year: 22 %).

Within the de-consolidation of the former Belgian subsidiary at the beginning of the first quarter a non-cash effective one-time expense of € 0.5 million was necessary. Also in the first quarter an agreement was achieved with Comparex concerning the amount of the remaining price payable for the purchase of the operative business of KryptoKom amounting to € 0.3 million. Due to the reduced purchase price a reversal of the depreciation of € 0.2 million increased the net income. Within the scope of the liquidation of the former Belgian affiliate, the liquidator has confirmed in the actual reporting period that all liabilities of Utimaco Safeware towards the former Belgian affiliate are paid and accordingly accounted. Thus, the liabilities amounting to € 0.5 million which were still in the balance sheet due to commercial caution could be adjusted and so led to a revenue, relating to another period.

Both operations mentioned above were booked under the other operating income/expenditures and improved accumulated the result of the first nine months with a one-time income of about € 0.2 million.

Due to the sustainably reduced cost block, a positive EBITDA result of € 0.5 million (previous year: € -5.2 million) was achieved in the first nine months.

In the first nine months, the operating result (EBIT) was almost balanced with less than € -0.1 million (previous year: € -6.8 million).



The earnings after tax (EAT) amounted to € -0.1 million (previous year: € -12.7 million). Thus, the drastic loss situation of the previous years could be stopped.

In the first nine months, the undiluted result per share (EPS) amounted to € -0.01 (previous year: € -1.99).

The result according to DVFA amounted to € -0.3 million (previous year: € -8.6 million).

Comments on the Individual Balance Sheet Items

On March 31, 2003, Utimaco Safeware's balance sheet total amounted to € 17.0 million. Compared with June 30, 2002, this is a reduction of € 3.7 million.

In the reporting period, the short-term assets decreased by € 2.1 million to € 8.0 million. In the reporting period the short-term accounts receivable decreased by € 2.6 million, whereby € 1.0 million due to the deconsolidation of the former

Belgian affiliate were adjusted on July 1, 2002. In the reporting period, the cash and cash equivalents increased by €0.8 million to €2.7 million.

In the first nine months, the long-term assets decreased by €1.7 million to €9.0 million. In the course of the deconsolidation of the former Belgian affiliate, the property, plant and equipment 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 March 31, 2003 the goodwill amounted to €1.6 million and now is amortized with €0.3 million annually until June 30, 2009. Furthermore, a long-term loan due to Utimaco Safeware amounting to €0.5 million was paid before the due date.

In the reporting period, the short-term liabilities decreased by €5.3 million to €8.4 million. Due to the deconsolidation of the former Belgian affiliate, the trade payables decreased by €1.5 million in the reporting period. The other trade payables were reduced by €0.5 million and with an amount of €0.9 million on March 31, 2003, they reflect the significant low cost level of the company compared to the the same period of the previous year. 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 €1.7 million. Hereof, €0.9 million were used due to the agreement with Comparex. The re-organization accruals were used as planned with €0.7 million.

In the reporting period, the long-term liabilities increased by €1.4 million. Hereof, €0.6 million 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 was agreed. The silent partnership was approved at the general annual meeting of Utimaco Safeware on November 28, 2002, and a conditional capital amounting to €571,428 was set up for the service of the conversion option.

On March 31, 2003, the total short-term assets amounted to €8.0 million (June 30, 2002: €10.1 million). The short-term liabilities amounted to €8.4 million (June 30, 2002: €13.7 million).

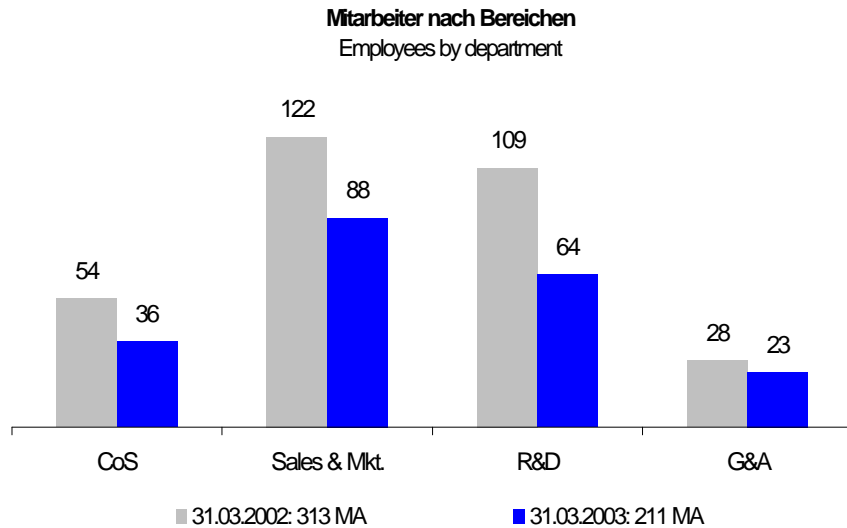
On March 31, 2003, the equity ratio totaled 36 % (June 30, 2002: 28 %).

Cash Flow

In the reporting period, liquid assets increased by €0.8 million (previous year: + 0.2 million). On March 31, 2003, the cash and cash equivalents amounted to €2.7 million, (June 30, 2002: €1.9 million).

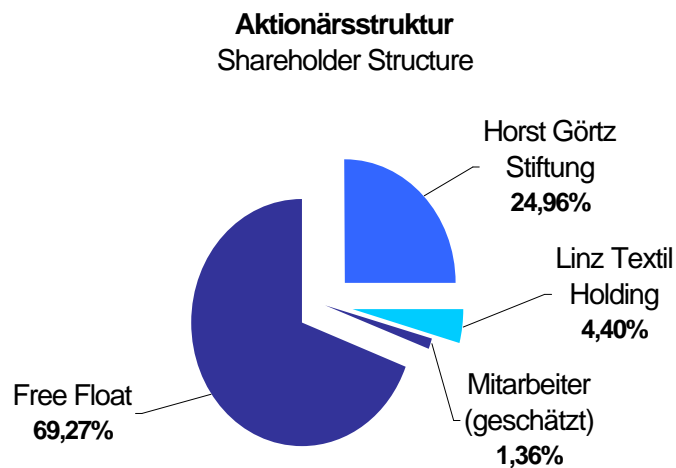
Employees

On March 31, 2003, Utimaco Safeware employed 211 employees (previous year: 313 employees). Hereof, 64 % of the employees were working in Germany (previous year: 61 %) and 36 % abroad (previous year: 39 %).



Shareholder Structure

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



Reportable Transactions of Shares

In the first nine months of the financial year 2002/2003, no reportable transactions of shares were carried out by the members of the management board and supervisory board of Utimaco Safeware AG.

At the due day of March 31, 2003, the following number of shares was owned by the management board and the supervisory board:

	Number of Shares on March 31, 2003
Management Board	<u>in pieces</u>
Martin Wulfert	0
Christian Bohne	0
Dr. Norbert Pohlmann	2000
Supervisory Board	
Horst Görtz	64.386
Helmuth Coqui	2.000
Geralt Goder	20.000
Franz E. Lemmerhofer	0
Dr. Manfred Schlottke	0
Bernd Schroeder	250

Changes in the Management Board

Dr. Norbert Pohlmann, so far responsible for Technology Aspects, Corporate Communication and Lobbying, has left the company on March 31, 2003, in order to concentrate on his new professional university career. As consultant, he will further on be closely connected with Utimaco Safeware. The responsibilities of Dr. Pohlmann have been portioned to the existing board.

Outlook

After two traditionally weaker and one stronger quarter, we have almost reached the break even in the operating result during the first nine months. The liquidity situation has continued to stabilize itself, however, not quite to the level that we wish for. Also, in the fourth quarter of the current fiscal 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 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 (Please note the change of date!)	November 26, 2003

Konzern- Gewinn- und Verlustrechnung nach IAS
Income Statement due to IAS

	Q3 2002/2003 Euro' 000	Q3 2001/2002 Euro' 000	9 months 2002/2003 Euro' 000	9 months 2001/2002 Euro' 000
Umsatzerlöse Sales	5.963	5.597	19.083	22.198
Herstellkosten der zur Erzielung der Umsatzerlöse erbrachten Leistung Costs of sales	-1.399	-2.205	-4.934	-7.132
Bruttoergebnis vom Umsatz Gross profit on sales	4.564	3.391	14.148	15.066
Vertriebs- und Marketingkosten Selling and marketing expenses	-2.731	-4.154	-8.420	-11.520
Forschungs- und Entwicklungskosten Research and development expenses	-1.092	-1.424	-3.197	-5.845
Allgemeine Verwaltungskosten General administrative expenses	-1.069	-1.343	-2.872	-4.810
Summe operative Kosten Total operating expenses	-4.892	-6.921	-14.489	-22.174
Firmenwertabschreibung aus Akquisitionen Goodwill amortisation from acquisitions	-65	-139	-194	-417
Sonstige betriebliche Erträge/Aufwendungen, netto Other operating income/expenses, net	622	105	463	738
Ergebnis der betrieblichen Tätigkeit Result from ordinary operations	229	-3.564	-71	-6.788
Erträge/Aufwendungen aus assoziierten Unternehmen Income/expenses from associated companies	0	0	50	-1.753
Restrukturierungsaufwendungen Restructuring costs	0	0	0	-3.788
Finanzergebnis Financial result	-14	-151	-81	-204
Ergebnis vor Steuern Earnings before taxes	215	-3.715	-102	-12.533
Steuern vom Einkommen und vom Ertrag Taxes on income	14	44	44	-199
Ergebnis nach Steuern Earnings after taxes	229	-3.671	-58	-12.732
Anteile Dritter am Ergebnis Minority interests	0	-98	1	336
Jahresüberschuss/Fehlbetrag Net income/net loss	230	-3.768	-57	-12.396
Ergebnis je Aktie (unverwässert) Net income per share (undiluted)	0,04	-0,63	-0,01	-2,15
Ergebnis je Aktie (verwässert) Net income per share (diluted)	0,03	-0,62	-0,01	-2,12
Gewichteter Durchschnitt ausstehender Aktien (unverwässert) Weighted average shares outstanding (undiluted)	6.227.243	6.002.543	6.227.243	5.776.204
Gewichteter Durchschnitt ausstehender Aktien (verwässert) Weighted average shares outstanding (diluted)	6.819.396	6.086.210	6.490.421	5.837.261

Konzernbilanz nach IAS
 Balance Sheet due to IAS

Aktiva/Assets

Vermögenswerte Assets	31. Mar 2003 Euro	30. Jun 02 Euro
Kurzfristige Vermögenswerte Short-term assets		
Zahlungsmittel Cash and cash equivalents	2.679.757	1.941.597
Forderungen aus Lieferungen und Leistungen, netto Accounts receivable	4.225.907	6.821.929
Vorräte Inventories	420.877	486.730
Sonstige kurzfristige Vermögenswerte Other short-term assets	685.021	832.045
Summe kurzfristige Vermögenswerte Short-term assets	8.011.562	10.082.301
Langfristige Vermögenswerte Long-term assets		
Langfristige Forderungen Long-term accounts receivable	0	0
Langfristige Finanzanlagen Long-term financial assets	451.252	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	478.091	929.455
Immaterielle Vermögenswerte Intangible assets	1.877.965	2.542.267
Latente Steueransprüche Deferred taxes	0	0
Sonstige langfristige Vermögenswerte Other long-term assets	1.592.695	1.706.957
Summe langfristige Vermögenswerte Long-term assets	9.000.521	10.669.227
Summe Vermögenswerte Total assets	17.012.083	20.751.528

Konzernbilanz nach IAS

Balance Sheet due to IAS

Passiva/Liabilities and shareholders equity

Eigenkapital und Verbindlichkeiten <i>Liabilities and shareholders' equity</i>	31. Mar 2003 EUR	30. Jun 02 EUR
Kurzfristige Verbindlichkeiten <i>Short-term liabilities</i>		
Verbindlichkeiten gegenüber Kreditinstituten <i>Liabilities due to banks</i>	886.761	1.169.494
Verbindlichkeiten aus Lieferungen und Leistungen <i>Trade payables</i>	929.431	2.930.027
Erhaltene Anzahlungen <i>Prepayments received</i>	234.423	98.456
Sonstige Verbindlichkeiten <i>Other liabilities</i>	2.088.861	3.235.124
Verbindlichkeiten aus Ertragsteuern <i>Liabilities on taxes on income</i>	0	0
Steuerrückstellungen <i>Tax accruals</i>	7.784	30.703
Rückstellungen <i>Other accruals</i>	1.054.974	2.733.460
Passiver Rechnungsabgrenzungsposten <i>Deferred income</i>	3.190.868	3.523.760
Summe kurzfristige Verbindlichkeiten <i>Short-term liabilities</i>	8.393.102	13.721.024
Langfristige Verbindlichkeiten <i>Long-term liabilities</i>		
Verbindlichkeiten gegenüber Kreditinstituten <i>Liabilities due to banks</i>	0	0
Langfristige verzinsliche Darlehen abzügl. des kurzfristigen Teils <i>Long-term interest loan, less the short-term part</i>	1.350.000	0
Latente Steuern <i>Deferred taxes</i>	88.656	88.656
Rückstellungen für Pensionen <i>Pension accruals</i>	1.069.793	1.073.196
Summe langfristige Verbindlichkeiten <i>Long-term liabilities</i>	2.508.449	1.161.852
Minderheitenanteile <i>Minority interest</i>	-1.176	0
Einlage zur Durchführung einer beschlossenen Kapitalerhöhung <i>Deposits for the transaction of a decided capital increase</i>	0	0
Eigenkapital <i>Shareholders' equity</i>		
Gezeichnetes Kapital <i>Share capital</i>	6.227.243	6.214.343
Kapitalrücklagen <i>Capital reserve</i>	27.839.490	27.594.390
Ausgleichsposten für Währungsumrechnung <i>Adjustment item for minority interests/ foreign currency translation</i>	186.485	144.478
Bilanzgewinn/-verlust <i>Retained earnings/Accumulated deficit</i>	-28.141.510	-28.084.559
Summe Eigenkapital <i>Shareholders' equity</i>	6.111.708	5.868.652
Summe Verbindlichkeiten und Eigenkapital <i>Total liabilities and shareholders' equity</i>	17.012.083	20.751.528

Kapitalflussrechnung nach IAS

Cash-Flow Statement due to IAS

	Q3 2002/2003 Euro '000	Q3 2001/2002 Euro '000	9 months 2002/2003 Euro '000	9 months 2001/2002 Euro '000
Cash-Flow aus betrieblicher Tätigkeit <i>Cash flow from operating activities</i>				
Ergebnis vor Ertragsteuern und Anteilen anderer am Ergebnis <i>Net income before taxes on income</i>	215	-3.715	-102	-12.533
Korrekturen des Jahresergebnisses zur Überleitung auf den Zahlungsstrom aus betrieblicher Tätigkeit <i>Corrections to the results for the year for transition to the payment stream from commercial activity</i>				
- Abschreibungen auf Sachanlagen und immaterielle Vermögensgegenstände <i>- Depreciation on property, plant and equipment and intangible assets</i>	106	476	383	1.550
- Anpassung Firmenwert KryptoKom <i>- Adjustment on goodwill KryptoKom</i>	0	0	-205	0
- Abschreibungen Firmenwert <i>- Depreciation on goodwill</i>	71	0	212	0
- Abschreibungen auf Finanzanlagen <i>- Depreciation on financial assets</i>	34	-257	79	1.494
- Veränderung der Pensionsrückstellungen <i>- Change in pension accruals</i>	-3	10	-3	30
- Veränderung anderer zahlungsunwirksamer Posten <i>- Change in other not-cash items</i>	32	50	86	-194
- Zinserträge/Zinsaufwendungen <i>- Interest income/expenses</i>	4	30	27	83
- Steuerzahlungen <i>- Tax refunds/payments</i>	0	0	0	0
Zwischensumme <i>Subtotal</i>	459	-3.406	477	-9.570
Veränderung der Aktiva und Passiva: <i>Changes in assets and liabilities</i>				
- Veränderung der Vorräte <i>- Change in inventories</i>	97	1.159	66	1.324
- Veränderung der Forderungen, sonstigen Vermögensgegenstände und aktiver Rechnungsabgrenzungsposten <i>- Change in accounts receivable, other assets and deferred income</i>	2.282	1.120	2.585	6.752
- Veränderung der kurzfristigen Steuerverbindlichkeiten/Forderungen <i>- Change in short-term tax liabilities/accounts receivable</i>	11	-45	19	7
- Veränderung sonstige kurzfristige Verbindlichkeiten inklusive Rückstellungen <i>- Change in short-term liabilities including accruals</i>	-2.222	-2.600	-4.384	-6
Zahlungsmittelsaldo aus betrieblicher Tätigkeit <i>Net cash flow from operating activities</i>	627	-3.772	-1.237	-1.493
Cash-Flow aus dem Investitionsbereich <i>Cash flow from investment activities</i>				
- Investitionen in Sachanlagen und immaterielle Vermögensgegenstände <i>- Change in property, plant and equipment and intangible assets</i>	-17	225	95	406
- Erlöse aus dem Verkauf von Betriebs- und Geschäftsausstattung <i>- Proceeds of fixtures, furniture and office equipment</i>	0	0	0	0
- Veränderung des auf Minderheitsgesellschafter entfallenden Eigenkapitals <i>- Change in capital of minority interest</i>	0	0	0	0
- Investitionen in Finanzanlagen <i>- Investment in financial assets</i>	235	428	360	44
- Zahlungsunwirksame Veränderung von Wertpapieren des Umlaufvermögens <i>- Change in non-cash securities classified as fixed assets</i>	0	0	0	0
- Akquisitionen <i>- Acquisitions</i>	0	0	0	0
- Zinseinnahmen <i>- Interest receipts</i>	7	20	44	45
Zahlungsmittelsaldo aus Investitionstätigkeit <i>Net cash flow from investment activities</i>	225	673	500	495
Cash-Flow aus dem Finanzierungsbereich <i>Cash flow from investment activities</i>				
- Abgang/Erwerb eigener Anteile <i>- Disposal of own shares</i>	0	0	258	0
- Tilgung Kaufpreis KryptoKom <i>- Repayment of purchase price KryptoKom</i>	0	0	0	0
- Tilgung langfristiger Bankdarlehen <i>- Repayment of long-term bank loan</i>	0	0	0	0
- Aufnahme langfristiger Verbindlichkeiten <i>- Raising of long-term liabilities</i>	0	0	800	0
- Zinsausgaben <i>- Interest payments</i>	-28	-18	-132	-64
- Veränderung langfristiger Verbindlichkeiten <i>- Change in long-term liabilities</i>	0	-129	550	-129
- Kapitalerhöhungen (saldiert mit Kosten des Börsenganges) <i>- Capital increases</i>	0	0	0	1.348
Zahlungsmittelsaldo aus Finanzierungstätigkeit <i>Net cash flow from investment activities</i>	-28	-147	1.476	1.156
Zunahme/Abnahme der liquiden Mittel <i>Decrease/increase in cash and cash equivalents</i>	824	-3.246	738	158
Liquide Mittel zu Beginn der Periode <i>Cash and cash equivalents beginning of period</i>	1.856	5.073	1.942	1.669
Liquide Mittel am Ende der Periode <i>Cash and cash equivalents end of period</i>	2.680	1.827	2.680	1.827

KONZERN-EIGENKAPITALGLIEDERUNG NACH IAS ZUM 31.03. 2003

Consolidated Changes in Equity according to IAS as of March 31, 2003

	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/Erwerb eigener Anteile Disposal of own shares	12.900	12.900	245.100			258.000
Periodenfehlbetrag Net loss for the period					-56.951	-56.951
Ausgleichsposten Währungsumrechnung Adjustment item for currency translation				42.007		42.007
Stand 31. März 2003 Balance Mar 31, 2003	6.227.243	6.227.243	27.839.490	186.485	-28.141.510	6.111.708

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.