

53,534

22,089

10,762

+19.4%

+6.7%

49,492

+23.4%

58,155

+40.1%

134,800

+10.2%

4,636

+24.6%

482

+29.9%

+18.1%

+29.9%

80,420

+36.0%

0.34

Annual Report

2011

# Key Figures 2011

	2011		2010	2009
	KEUR	%	KEUR	KEUR
<b>Revenue and Result</b>				
Sales	53,534	19.4	44,823	40,363
Sales HC-Software	49,492	23.4	40,119	36,035
Sales HC-Service	4,042	-14.1	4,704	4,328
Sales National	29,385	8.8	27,017	26,438
Sales International	24,149	35.6	17,806	13,925
Result of the period before tax	4,636	40.1	3,308	2,232
Result of the period	4,695	32.7	3,538	2,103
EBITDA	10,762	13.9	9,449	7,596
Result per Share	0.34		0.25	0.15
<b>Investments and Depreciation</b>				
Investments in intangible and tangible assets	5,943	18.1	5,032	5,610
Investments in company acquisitions	7,383	478.2	1,277	1,318
Depreciation	6,408	12.0	5,719	5,424
<b>Assets, Equity and Liabilities</b>				
Balance sheet assets	80,420	17.7	68,336	58,787
Capital assets	38,590	23.7	31,189	29,546
Short-term assets	38,797	11.1	34,915	26,755
Liquidity	22,089	6.7	20,697	11,519
Equity	58,155	10.2	52,796	47,042
Equity ratio (in %)	72.3		77.3	80.0
Bank loans	88		0	290
Short-term liabilities	17,249	29.1	13,359	10,117
<b>Key Figures</b>				
Cash Flow from operative activities	10,995	-21.1	13,929	7,313
Cash Flow from financing activities	-17,650	253.8	-4,988	-2,094
Number of Users of NEXUS-Software	134,800	24.6	108,200	92,700
<b>Employees (end of the year)</b>	482	29.9	371	355

**“Selecting the right software is critical for the success of many hospitals in the meantime! We are very proud that we have again been able to win a lot of calls for bids in the past year, and consequently many new customers decided in favor of NEXUS. The trust that our customers put in us is great motivation for all of our employees.”**

Dr. Ingo Behrendt  
CEO of NEXUS AG

# NEXUS presents: 7 reference customers

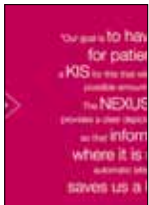


“We worked completely paperless in our hospital starting from day one. What seemed strange at first has now become great: for staff and patients.”

**Russ Fray, Project Manager**, The Grand Turk Hospital, Turks and Caicos Islands

## **Turks and Caicos Islands Hospital (TC)**

- + 2 sites with a total of 60 beds
- + 200 employees
- + 3,000 inpatients and 42,400 outpatients since opening



“Our goal is to have more time for patients. We need a HIS for this that relieves us of the greatest possible amount of routine work. The Nexus-System provides a clear depiction of the case history, so that information is there where it is needed. The automatic letter-writing also saves us a lot of time.”

**Dr. Matthias Albrecht**, Managing Director

## **Evangelisches Krankenhaus Hubertus, Berlin**

- + Site of the Paul Gerhardt Diakonie, Berlin
- + A total of 36 sites in Berlin und Saxony-Anhalt
- + Approx. 63,500 inpatients annually
- + Approx. 4,500 employees



“The software is fast and easy to use. Even employees, who had their first contact with data processing systems, cannot imagine work without the NEXUS system anymore.”

**Frédy Cavin**, chef de service de l'unité de stérilisation du CHUV

## **Centre Hospitalier Universitaire Vaudois, Lausanne (CH)**

- + The „CHUV“ is the fifth largest university hospital in Switzerland
- + 1,428 beds in total
- + 10,335 employees
- + Approx. 45,000 inpatients annually



“Appreciation instead of evaluation is the management principle of ctt. We were also able to implement this principle in the software in NEXUS / PERSONNEL PORTAL and consequently gain staff acceptance.”

**Dr. Thomas Kellner**, Project Director of Staff Development in the Human Resources Department

#### **cusanus trägergesellschaft trier mbH, Trier**

- + 32 sites in Rhineland-Palatinate and in Saarland
- + Hospitals, rehabilitation and youth welfare institutions, nursing institutions
- + Approx. 5,000 employees



“We have more than 8,500 users, who work with NEXUS / HIS. The system is very stable, and we are continually expanding it.”

**Manfred Willems**, Head of Product Management Clinics and Homes

#### **LVR-InfoKom / Rhineland Landscape Association, Köln**

- + Ten hospitals are operated by the LVR as association of the Rhenish cities and administrative districts
- + Own system house which is conform to LVR with two computing centres
- + Approx. 8,500 users are administered centrally
- + Approx. 50,000 inpatients annually in the LVR-association



“The new NEXUS / RIS is exactly what we need: simpler, intuitive and it saves us time.”

**Maren Ingwersen**, Project and Quality Management

#### **Städtisches Krankenhaus GmbH**

- + 600 beds
- + 1,600 employees
- + 50,000 inpatients and outpatients annually



“We prescribe drugs completely digitally with NEXUS software. It was a big step for the doctors and nurses, but it was worth it. Drug safety has thus been increased and treatment compliance promoted.”

**Dr. Sanjiv Sarin**, Head Pharmacist

#### **Landeskrankenhaus (AöR) Andernach**

- + 12 sites in Rhineland-Palatinate
- + Approx. 2,500 employees
- + More than 11,000 inpatients annually with a total of 2,000 beds



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# Letter to Our Stockholders

Dear Shareholders:

Dear Sir/Madam:

## **Our software is in great demand!**

An increasing number of hospitals are betting on NEXUS and our products thanks to the user-friendly and simple design of our software. The year 2011 can be summarized for NEXUS with this brief message, which outlines the essential reason for the very successful business year 2011.

## **We have been able to continue our trend of many years impressively with two-figure growth in sales and a disproportionately high rate of increasing profits this year.**

At the same time, we have invested considerably into development and also penetrated new market fields thanks to company acquisitions. It is especially good news for our shareholders that the stock price has reflected our good development and increased substantially in 2011 contrary to the market trend.

The complete economic environment in 2011 was not supportive in this context. The continuing financial crisis and the difficult development in many euro countries in 2011 have further reinforced restraint in government expenditures. The budget situation in many countries and municipalities remains strained, and the pressure to reduce expenditures in health care remains high. We are continuing to see investment restraint in public and private hospitals, which especially expresses the fear of further worsening of the general conditions in the health care system. These fears are overshadowed among a few decision-makers by the cost-cutting and efficiency-increasing effects, which modern software systems provide for

hospitals. At the same time, it can be seen that the inclination to invest differs very greatly among individual European countries. While investments have largely come to a standstill in Southern European countries as a result of the debt crisis, investments in the modern infrastructure of health care remains a priority in Northern and Eastern Europe. NEXUS has adapted to his development and is concentrating on further internationalization in the high-growth regions.

The continuing consolidation in our healthcare software industry is favoring the internationalization of our business model in this context.

## **There is only a small circle of companies that can compete internationally at the present time.**

On one hand, the requirements for solution quality are increasing continually, and on the other hand, the economic efficiency of market activities is advancing further to the forefront for suppliers and customers. As a result, the number of competitors decreased further due to additional acquisitions in 2011.

## **NEXUS held its ground well in this challenging market environment in 2011 and increased its own significance in the market thanks to organic growth and company acquisitions.**



Dr. Ingo Behrendt \ Chief Executive Officer



**Our strong emphasis on innovation has paid off, and we were able to record substantial increases both in sales and new orders.**

We were able to win a lot of calls for bids on the German market in 2011. The focal point was again on our core product NEXUS / HIS, which has convinced numerous customers since its market launch in 2009. This was again the case in 2011. For example, customers such as the Mühlen District Hospitals Minden with five hospitals, Dusseldorf Dominikus Hospital with two sites as well as the Rüsselsheim GPR Health and Care Center and the Uelzen Psychiatry Clinic selected NEXUS / HIS and consequently confirmed the outstanding product position of NEXUS / HIS. We are convinced that this success will continue. The conceptual approach and contents of NEXUS / HIS are already considered an essential innovation in our sector and set new standards with respect to ease of use and simplicity.

We have achieved a strong share of our growth in Switzerland in 2011. We have been able to provide a new solution in the product areas of NEXUS / HOSPIS and NEXUS / HIS dealing with the topic of SwissDRG. Today, most Swiss hospitals work using the SwissDRG solution from NEXUS and bet on the close links between DRG calculation of accounts as well as medical documentation within the NEXUS products. This is an advantage that is also reflected in the excellent product positions of NEXUS in Switzerland.

The strong demand is not just concentrated on the overall hospital systems. We were also able to demonstrate very positive developments in other product areas. This again applies to the areas of pathology and quality management, both segments, in which we have developed into a market leader over the past years. Decisions in favor of NEXUS by the Hamburg-Eppendorf University Hospital (UKE) in pathology and the Münster St Franziskus-Hospital for quality management have reinforced this development further in 2011.

**Our strong products and good position in important markets have also led to a considerable increase in sales and result in 2011. As a result, we have two-figure growth in sales and profit for the 11th year in a row.**

Total sales increased to EUR 53.53 million (previous year: EUR 44.82 million) during the reporting year. Compared to the previous year, sales thus increased by 19.4%. Sales in the Healthcare Software Division grew by 23.4% to EUR 49.49 million (previous year: EUR 40.12 million). In the Healthcare Service Division, we were able to achieve EUR 4.04 million following EUR 4.70 million in the previous year. International business represented a share of 45.1% in the total Group in 2011 following 39.7% in the previous year.

We used the strong starting position of NEXUS in 2011 to develop further business areas and new markets. With the acquisition of a majority share of Domis AG, Altshofen (Switzerland) in May and the increase our share of VEGA Software GmbH, Aachen, in October, we entered the market for software solutions for nursing institutions and senior citizen homes as an addition target group. This is a decisive step for NEXUS, because operators of senior citizen homes and hospitals are increasingly merging and consequently require integrated data storage.

The acquisition of OPTIM S.A.S., Grenoble (F) in July of last year reflects market requirements. We are targeting considerable enhancement of our skills in the area of OP and sterilization management in hospitals with this. This is a topic that is becoming increasingly important against the background of discussions about hygiene and infection management in hospitals. At the same time, we are going to use our presence in France to position ourselves in this attractive market in the long term.

In addition to company acquisitions, our own development and innovation projects are highly significant for the long-term success of NEXUS.

**We have again invested approx. 12.0 million euros or 22% of our sales in the development of our software systems.**

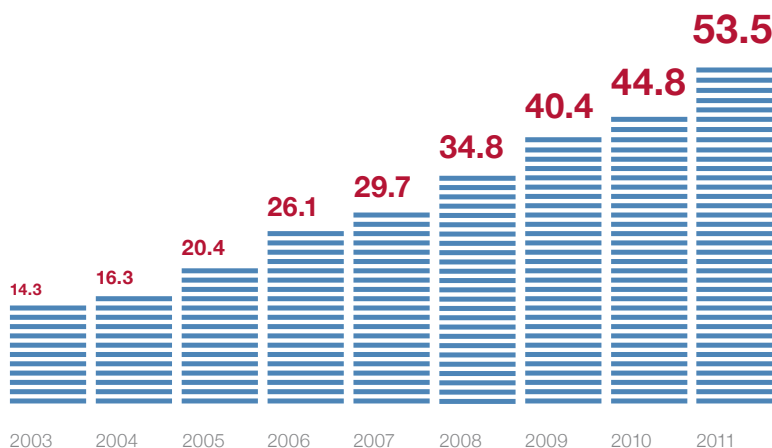
The focal point was again optimization of our products more strongly in the direction of "easy operability". This especially applied to the areas of medication and care planning, but also to OP control and recording the course of medical treatment in NEXUS / HIS. These are areas, which are currently the focus of attention in hospitals. We were also able to close gaps in our portfolio at the same time. In the area of patient data management (PDMS), we developed enhancements that make it possible to digitalize intensive care units completely. We were able to further the development of "International Patient Management" (NEXUS / PATng.) for Switzerland, Austria and Poland and especially complete essential new developments in the SwissDRG area. A majority of Swiss hospitals started into the new era of settlement of accounts using NEXUS / SWISSDRG.

We have also invested in the further technology switch of our applications with a look to the future. Based on a Group-wide framework, we are migrating our applications to a new technology platform step by step over a longer time period. In the past years, we have already converted many of our modules and delivered them to customers. In 2011, the focus was on converting our NEXUS / RIS, which we designed completely anew based on our many years of experience.

**We are convinced that our strong orientation to innovation has also contributed over the past years to enabling us to win many calls for bids and numerous new customers.**

We have received a total of 152 new customer orders for introduction of NEXUS software, of which 19 selected the comprehensive hospital solution NEXUS / HIS. This is a remarkable number, especially against the background that we started live operation in 21 institutions with NEXUS comprehensive systems. With the number of orders on hand and the increase in customers for our comprehensive system, we have been able to establish a good basis for the coming years and achieve respectable results in 2011.

Sales 2003 – 2011 in KEUR



**“WE WORKED**

**COMPLETELY**

**PAPERLESS**

**IN OUR HOSPITAL**

**STARTING FROM DAY ONE.**

**WHAT SEEMED STRANGE**

**AT FIRST**

**HAS NOW BECOME GREAT:**

**FOR STAFF**

**AND PATIENTS.”**

**Russ Fray,**

Project Manager, The Grand Turk Hospital,  
Turks and Caicos Islands

We were again able to increase our overall result substantially in 2011. We were able to record profit before taxes of EUR 4.64 million following EUR 3.31 million in the previous year (+40.1%), and Group profit after taxes was EUR 4.69 following EUR 3.54 in the previous year (+32.7%). The EBITDA surpassed the EUR 10 million threshold for the first time and amounted to EUR 10.76 million following EUR 9.45 million in the previous year (+13.9%). The cash flow was very strong at EUR 10.99 million thanks to the good results at the end of the year, but lower than in 2010 due to high down payments in the previous year (-21.1%).

Large projects played an important role in this consideration of results. Projects such as VITOS Group, Hesse, the German military hospitals at four sites and the Vinzenz von Paul Hospital in Rottweil were projects in Germany with considerable sales volume and substantial challenges in project organization. The same applies to projects in St. Gallen (CH), Fribourg (CH), Graz (A) and Oslo (N). These large projects provide us with important stimuli in product development and demonstrate the quality of our work at the same time.

Overall, we are extremely pleased with the business year 2011 and were able to surpass our goals to a considerable extent. The great demand for our products, the healthy growth of our business and the encouraging integration of new companies shows a comprehensive picture oriented to success. Our encouraging future outlook has also had an effect on the capital market, via which our stocks have been valued much more attractively.

We are going to use the strong position of NEXUS to improve our products further, acquire new customer groups and generate further growth. Under these conditions, we are going to be able to pursue our path to becoming an important international supplier of medical informatics even faster than we planned. As a result, we are confident that we can again achieve outstanding results in 2012.

Dear Stockholders, we have only been able to achieve this positive development thanks to our customers, you, our staff and our partners.

The NEXUS team thanks you for this as well as for the trust that you put in our ability to perform now and in the future.

Dr. Ingo Behrendt

Ralf Heilig

Edgar Kuner



"Our goal is **to have more time**  
**for patients.** We need  
a **KIS** for this that relieves us of the greatest  
possible amount of routine work.

The **NEXUS-System**  
provides a clear depiction of the case history,  
so that **information** is there  
**where it is needed.** The  
automatic letter-writing also  
**saves us a lot of time.**"

**Dr. Matthias Albrecht,**  
Managing Director Lutheran Hospital Hubertus, Berlin

January

February

March

### **Rüsselsheim Health and Nursing Clinic bets on NEXUS / HIS**

With the decision in favor of NEXUS / HIS, the management board of Rüsselsheim GPR Clinic bet on the new hospital information system (HIS) from NEXUS. The teaching hospital of Johannes Gutenberg University Mainz has 547 beds and is one of the leading hospitals in the Rhine-Main region. With acquisition of the new HIS, the hospital is targeting substantial improvement of its information technology structure and essentially leaner workflows in documenting and billing medical services. The functions of the previous CLINICOM system are not only to be replaced with that; instead, the decision in favor of NEXUS is targeting comprehensive digital support of hospital processes.



### **Vitos Weilmünster gGmbH introduces NEXUS / PACS in all of its hospitals**

All of the establishments of Vitos Weilmünster are using the PACS system from NEXUS from now on for central archiving of all DICOM picture data. The establishments, which care for 100,000 inpatients and outpatients annually, especially considered the fast flow of information in the institutions important, but also the exchange of information between the individual hospitals. The radiology data can be retrieved at all wards at any time, which results in faster and more efficient working.



### **VITANAS Contracts NEXUS with Outsourcing of IT Services and SAP Hosting**

One of the largest private German operators of nursing homes, which owns 41 institutions throughout Germany, is having NEXUS handle its IT service and SAP hosting in the future: The Berlin Vitanas GmbH & Co. KGaA is betting on the expertise of NEXUS / IT, which is now responsible for supporting 800 users. As a result, the previously strategic partnership between the two companies could be expanded further.



### **State Nursing Clinic Hall (A) is preparing for recertification with NEXUS / WEBZERT**

The State Nursing Clinic Hall in Tirol, Austria, was already awarded the KTQ® certificate in 2009. To enable all employees to participate in the certification process without extensive training expenses, a self-explanatory software was sought and found with NEXUS / WEBZERT. All documents relevant to certification can now be edited web-based. The flexibility of reporting as well as integration of document routing were decisive factors for the hospital management in awarding the contract.



### **Very Positive Development of NEXUS AG in 2010**

NEXUS AG increased consolidated sales from KEUR 40,363 in the previous year to KEUR 44,823 (+11.0%). The Group surplus increased by 68.2% to KEUR 3,538 (previous year: KEUR 2,103). Sales in the core business, Health Care Software, increased by 11.3% to KEUR 40,119 (previous year: KEUR 36,035) over the whole year. The operative cash flow stands out, which reached KEUR 13,929 following KEUR 7,313 in the previous year (+90.5%).

### **Birth monitoring in the La Fe University Hospital, Valencia**

In collaboration with La Fe University Hospital in Valencia, Spain, NEXUS implemented a model project in obstetrics. The hospital is one of the largest in Europe with 6,000 births per year. Using NEXUS technology, the complete CTG monitoring, i.e., central monitoring and visualization of the course of births, was implemented and consequently optimum safety ensured for mother and child.



April

May

May

June

**Olympus and NEXUS work hand in hand on OP solutions**

As the globally leading manufacturer of optical and digital products, Olympus provides complete solutions for operation theaters and endoscopy wards with its company division Olympus Surgical Complete Solutions. NEXUS / HIS enters the picture at this spot with its OP management functions, which supplement and round out the OP technology of Olympus. The two companies concluded a partnership for OP solutions. Olympus and NEXUS are jointly developing further applications, which make workflows in OP simpler with respect to documentation, diagnostics and planning.



**NEXUS / INTEGRATION SERVER: An Innovation Leap in Interface Management**

With the new "Integration Server 1.0", NEXUS simplifies interface management in hospitals to a considerable extent. All system states can be recorded at a glance, and individual information can be retrieved about each interface transaction. Blind flights into interface support are consequently a thing of the past; system administrators obtain a simple-to-use tool with NEXUS / INTEGRATION SERVER, with which the interfaces can be set up, modified and controlled. The integration server can be used together with or independently of NEXUS products.

**NEXUS acquires share in nursing software company**

NEXUS acquired a 62% share in DOMIS AG, Altishofen (Switzerland). NEXUS is increasing its product position in long-term care with this participation and reacting to the demographic development of the European population and associated marketing possibilities of IT solutions in the health care system. As one of the leading suppliers in the area of solutions for senior citizen homes and nursing/care in Switzerland, Domis is going to expand its activities to Germany and other European regions under the auspices of NEXUS. With its participation, NEXUS is striving to become an essential European supplier in long-term care too. With 63 employees, Domis had sales of approx. 5.0 million euros in 2010.



**Leading private hospital group in Switzerland uses the SwissDRG module from NEXUS**

To master introduction of the flat-rate compensation system SwissDRG optimally, the hospital management of the Hirslanden Group selected the SwissDRG module from NEXUS. The new SwissDRG tool of NEXUS will be used together with NEXUS / HOSPIS in 10 hospitals and consequently represents the link between medical documentation and the new accounting system. "We want to support the workflow in document provision optimally with the system," the head of the clinical areas of the Private Hospital Group Hirslanden, Dr. Christian Westerhoff, stated at the introduction. The Hirslanden Group is the leading Private Hospital Group in Switzerland with 14 hospitals and 5,654 employees.



**Release Event in Nottwil (CH) – Intensive Dialogue with a Large Number of Customers**

More than 100 participants accepted the invitation from NEXUS to come to Nottwil (CH) and were able to obtain information about current topics of Swiss health care policy and innovations of NEXUS products. The status quo report of the Lucerne Cantonal Hospital was especially interesting; it has already been handling billing according to the new case flat rates of SwissDRG since it introduced NEXUS / HIS and NEXUS / HOSPIS in 2011.



**Save money in a targeted manner with the new NEXUS / RIS**

It is the newest generation of software that NEXUS has and is a real "eye-catcher". With the new NEXUS / RIS, we have created a great success with respect to ergonomics and function strength, a fact that radiologists and even MTAs have confirmed to us. It's about time from the viewpoint of users. The market had not produced any completely new, technologically strong RIS for more than a decade. The customers are correspondingly enthusiastic when they test the new possibilities intensively. The pre-configured diagnosis of examinations is especially striking. It provides radiologists and doctors with valuable support in structuring their workflows and saves time. NEXUS supplies a novel interface completely adapted to users for this: the NEXUS Workspace.



July

**NEXUS Is strengthening its competence in the areas of sterilization and OP solutions with OPTIM**

OPTIM SAS in Grenoble (F) develops software solutions for the OP and sterilization management areas in hospitals. NEXUS has acquired additional valuable skills and development capacities with the purchase of the market leader from France. The integration of OPTIM into the NEXUS Group also enables offering additional NEXUS products in France. Against the background of previous activities in the French-speaking part of Switzerland, this is a decisive step in the direction of growth.



**New NEXUS /RIS Is the preferred radiology software of the Mönchengladbach Maria Hilf Hospitals**

The hospitals of the Maria Hilf GmbH are the first ones to be equipped with the new NEXUS / RIS. With the conversion to the new system, the radiology customer of NEXUS of many years decided to depict workflows in radiology, radiation therapy and nuclear medicine as closely as possible in line clinical processes. In addition, the hospitals are going to use the PACS from INFINITT; both software solutions can be linked without problems and consequently picture data can be used universally, which reduces workflows between wards substantially.



August

**With Mühlenkreiskliniken, a big customer selects NEXUS / HIS**

Functionality and economic efficiency were the core areas, in which the NEXUS / HIS convinced the 50-person interdisciplinary project group of employees from the Mühlenkreiskliniken. The project team checked the handling and ease of operation of the NEXUS solutions during several reference visits. Now: NEXUS / HIS is used as central installation for all five clinics of the Mühlenkreiskliniken and is consequently replacing the previous decentralized organization. This is an advantage that pays thanks to the multifaceted synergies in operation and the uniformity of the system. With the introduction of NEXUS / HIS, one of the largest installations made available centrally in German healthcare has been put into operation.



**Hamburg-Eppendorf University Hospital simplifies key process with NEXUS / PATHOLOGY**

The 140 employees of the Pathology Institute of Hamburg-Eppendorf University Hospital are supported decisively in their daily work by the NEXUS pathology solution. Thanks to the self-explanatory user prompting as well as the modern user interface, the IT system of the newest generation was selected. The problem-free link and integration of printers and automatic laboratory equipment also spoke in favor of NEXUS. This investment protection, which the NEXUS solutions provide, is one of the most important success factors for the Group.



**Oslo Universitetssykehus HF, Radiumhospitalet, Norway decides in favor of NEXUS**

The largest European radiation therapy institution in Radiumhospitalet in Oslo, Norway, decided together with four other hospitals of HEMIT – Helse Midt-Norge RHF in favor of the radiation therapy solution from NEXUS. With the integration of the therapy planning program Mosaiq from the Elekta Company, NEXUS software handles the complete planning, controlling and documenting of the treatment course of radiotherapy. The NEXUS / RADIOONCOLOGY solution is considered the preferred solution in Europe for very demanding radiotherapy. Large institutes such as the Het Arnhems Radiotherapeutisch Instituut (ARTi), Holland, and the Innsbruck University Hospital for radiotherapy/ radiooncology use the NEXUS product to optimize treatment planning and documentation for all patient issues.



**Hygiene management becomes a core topic in hospitals: NEXUS / STERILIZATION in CHUV**

Tracking medical equipment and gapless proof of the sterilization state is a basic prerequisite for integrated hygiene management in hospitals. NEXUS has not only ensured tracking of medical products with its NEXUS / STERILIZATION program, but also created a simple and work-saving workflow in wards. For example, this is used in the Centre Hospitalier Vaudois, Lausanne. In the hospital with a total of 1,428 beds and three sites, all sterilization processes are monitored and documented via barcode and touchscreen monitors using NEXUS / STERILIZATION. This is an important measure in the fight against infections and bacteria in hospitals.



September



October

November

December

### **Globally recognized Psychiatric Center in Mannheim uses NEXUS / QM Software**

The four hospitals of the "Central Institute for Psychological Health" in Mannheim are enhancing their quality standards using the NEXUS quality management solution. The web-based knowledge database will support hospital staff in the future to coordinate projects better and define workflow processes uniformly. The intranet platform of the four hospitals will also be implemented via NEXUS / CURATOR in the future. Because the portal can be updated decentrally, all staff can be integrated and up-to-date information provided. This improves internal communication enormously and increases acceptance of the software at all four sites.



### **NEXUS presents new obstetrics solution**

NEXUS / OBSTETRICS supports documentation of the course of pregnancy and birth in one integrated solution. With the new solution, efficient documentation of findings during the course of pregnancy is ensured, i.e., automatic transfer from ultrasound equipment and detailed documentation of medical check-ups. At the same time, the model provides CTG monitoring and delivery room dashboards as integrated functions. With a chart of the course of birth using a partogram, all essential information is summarized and displayed comprehensively. The most important information such as gestational age, parity and pregnancy risks is continually displayed on the delivery room dashboard.

### **Sales Growth in the Third Quarter**

NEXUS AG had sales of KEUR 38,436 following KEUR 32,160 (+19.5 %) in the first nine months 2011 and an improved result before taxes of KEUR 3,573 compared to KEUR 2,476 (+44.3 %) in the previous year. The decisive increase was in the core sector of Healthcare Software. Sales increased by 22.8% to KEUR 35,332 (previous year: KEUR 28,782) in this area in the first nine months.

### **Katholisches Klinikum Koblenz- Montabaur decides in favor of NEXUS / WEBZERT**

The web-based NEXUS quality management software ensures easy and uncomplicated preparation for recertification according to KTQ® and proCumCert in the three establishments of the Katholisches Klinikum Koblenz-Montabaur. On-going measures in quality management are also supported professionally. Clear document routing and easy integration of various work processes simplify work for staff in finding their way around the catalogues of questions for certification and consequently contribute to evaluation.



### **Complete Cantonal introduction of PMS with hospitals in St. Gallen completed**

St. Gallen is rolling out the hospital-wide information system from NEXUS in all cantonal hospitals. St. Gallen is completing the last large sub-step of the canton-wide project with the announcement to roll out the uniform documentation systems (PMS) to the last hospital. The still outstanding project steps in the areas of medication and nursing will go into productive operation in 2012 and also be rolled out in the complete canton. As a result, PMS is one of the largest hospital information projects, which is currently being used in the region of Germany, Austria and Switzerland (DACH).



### **NEXUS is running in all 11 VITOS hospitals**

Following approx. two years of project time, NEXUS / HIS has gone into operation in all 11 hospitals of the VITOS Group as planned. With a total of several thousand users, this is one of the extremely large HIS projects of NEXUS / HIS, of which the complete customer and NEXUS teams are very proud.

“The software  
is **fast** and **easy**  
to use. Even employees, who had  
their first contact with  
data processing systems, cannot  
imagine work without  
the **NEXUS**  
system  
anymore.”

**Frédy Cavin,**  
chef de service de l'unité de stérilisation du CHUV

# NEXUS Product Portfolio:

## **NEXUS / HIS:**

### **Software Innovations and Convenience**

We also supported the great success of our software NEXUS / HIS in 2011 with new modules and improvements in handling the software. "One-click to information" is considered the handling guideline for development and as standard for customer evaluation in this context. At the same time, we are enhancing our software with new functions and modules, which make NEXUS even more attractive on the market. The focus in the software enhancement was in the following areas last year:

#### **NEXUS / SENIOR CITIZEN HOMES: Innovation offensive for senior citizen and nursing homes**

The tendency of hospitals and senior citizen homes to collaborate more closely or merge has increased further. As a result, the processes between senior citizen homes and hospitals are being coordinated increasingly. NEXUS has reacted to this development with its own technology and developed a complete home information system based on start-of-the-art technology thanks to acquisition of Domis AG. All components are based on service-oriented architecture and NEXUS.NET framework technology. The system has been developed modularly and contains the functions finances, resident management, nursing management and staff deployment planning. Almost 400 senior citizen homes are already working with the system today.

#### **NEXUS / PROGRESS Chronological case history**

The course of medical and nursing processes is a core part of all patient documentation. Within the context of complete reworking, NEXUS has also developed the PROGRESS module within NEXUS / HIS to become a central element for depicting electronic patient records. In the new Progress module, the essential data of a patient record are combined automatically and displayed; they can also be supplemented manually. Consequently, the PROGRESS module is the central platform for displaying patient data, either case-overlapping or with respect to an individual case. NEXUS / PROGRESS also supports interdisciplinary collaboration with this further development, because different professional groups are displayed in the same module and access is regulated via rights. Important information between the professional groups (e.g., emergency medication) is exchanged and highlighted via markers.



Edgar Kuner / Chief Information Officer

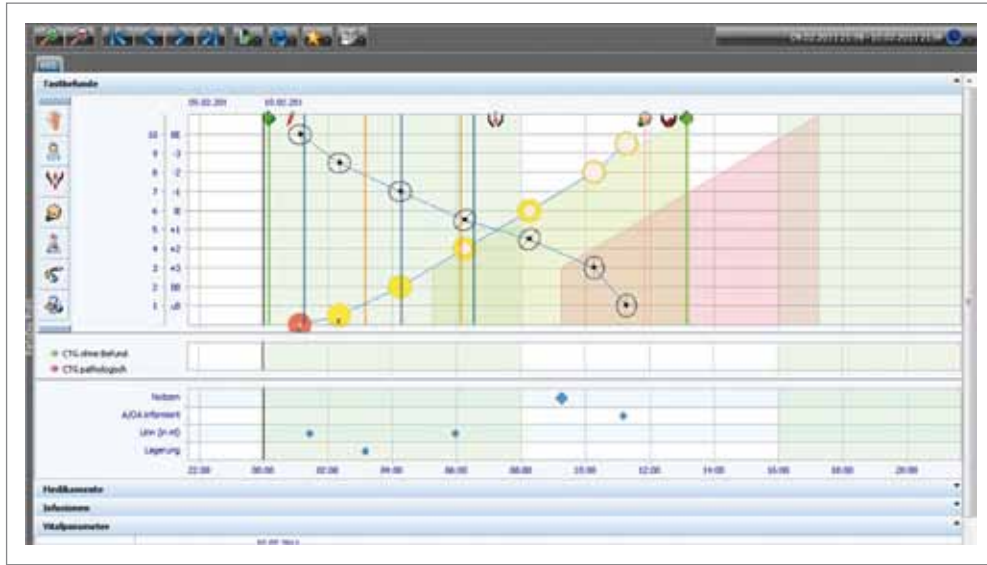


# “Appre- ciation

## instead of evaluation

is the management principle of ctt. We were also able to implement this principle in the software in NEXUS / PERSONNEL PORTAL and consequently gain staff acceptance.”

**Dr. Thomas Kellner,**  
Project Director of Staff Development in the Human Resources Department,  
cusanus trägergesellschaft trier mbH, Trier.



NEXUS / OBSTETRICS: helpful IT-support in documentation – a partogram

### **NEXUS / OBSTETRICS: The new complete solution – from pregnancy to birth**

Births are an important component of the medical offers of hospitals and at the same time an advertisement about medical quality. To win patients for their own hospital, obstetric wards already try to provide supplementary service and consulting offers during pregnancy. Closely linked collaboration between registered gynecologists in private practice and obstetric clinics is also very significant. This not only provides chances to manage obstetrics actively, but also risks. Malpractice can cause dramatic consequences for patients and hospital operators.

NEXUS took up this challenge and developed new obstetrics software, which depicts the complete documentation from the first day of pregnancy until discharge from a childbirth center in a uniform system. The advantages are directly available: all data of individual pregnant women are accessible directly, all CTGs are transmitted to nurses' offices, the partogram and quality documentation are supplemented automatically, and previous diagnoses of the patient during the pregnancy can be viewed directly. In addition, if the course of treatment is problematic, complete and consistent documentation is of great benefit for all those involved.

NEXUS / OBSTETRICS is available as a separate module or operated as an integrated functional component in NEXUS / HIS. NEXUS / OBSTETRICS is already installed in more than 300 obstetrics wards.

### **NEXUS / CONTRACT MANAGEMENT: Resubmission with reminder function**

To control the numerous contracts in structured way, which are concluded at hospitals, NEXUS has developed IT-supported contract management based on NEXUS / CURATOR technology. Targeted searches for contract contents or types as well as a resubmission function provide enormous help in the contract management of hospitals. The complete area of reminder and submission forms of contracts as well as their monitoring is simplified and made safe.

NEXUS / CURATOR technology as a purely web technology is suitable for rapid introduction and inexpensive operation.

### **NEXUS / STERILIZATION: Transparency in all sterilization processes**

Hospital hygiene has the task of detecting and preventing nosocomial infections. A not insubstantial part of this considerable task, i.e., prevention via control, is the responsibility of the central supply of sterilized material. Supplying medical processes with sterile surgical instruments is the main task of this area. NEXUS has developed a solution with the software NEXUS / SPM, which supports the complete workflow of sterilized material supply and guarantees high quality and process security. The complete process of sterilized materials management from cleaning to provision is controlled via the software, and the result of each sub-step is shown transparently. Due to the special safety requirements, the solution supports the process above all with barcode and touchscreen entry. NEXUS has installed the solution in more than 200 hospitals in the meantime.

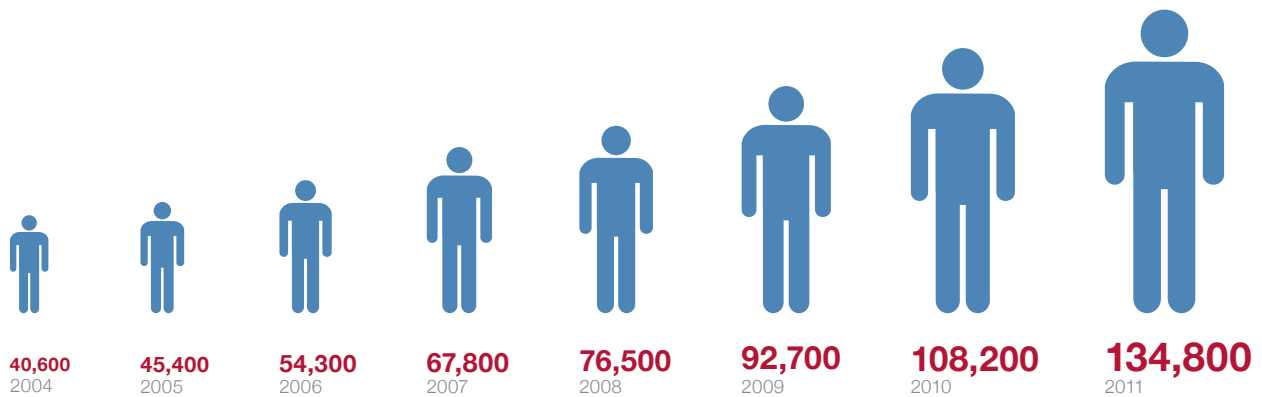
**NEXUS / PATng.:  
International Patient Management**

The different administration workflows and internationally very different accounting requirements in hospitals put high demands on the flexibility of a patient management system. NEXUS / PATng. was developed specifically for the requirements of international markets and can be adapted to the respective requirements via pure parameterization. Billing for services and its specific rules are no longer implemented directly in patient management, but instead in a separate module. The advantage: All special adaptations for countries and regions are only managed there, and the accounting processes can be handled much more quickly. International patient management is an essential prerequisite for further internationalization of the NEXUS product group. We can only handle the requirements of different countries with accounting competence. NEXUS / PATng. is already running in seven hospitals in three countries.

**NEXUS / PERSONNEL PORTAL:  
Appreciation instead of evaluation**

Due to the lack of skilled people and the high demands on hospital staff, controlling the further training and continuing education of staff has essential significance in hospital management. Today, it is essential to recognize the required qualification and training deficits and include them in strategic planning. NEXUS has developed a personnel portal based on Curator technology, which support superiors in their management tasks and provides staff optimum transparency about personnel development at the same time. The key points in staff development can be detected and communicated. Superiors are supported in management meetings and in planning training sessions and can give expression to the principle of "appreciation instead of evaluation".

**Number of Users of NEXUS-Software**



# Innovations

## Boost of Efficiency in Radiology – The New NEXUS / RIS

NEXUS presented the new Radiology Information System NEXUS / RIS. The experience from hundreds of installations has been integrated into state-of-the-art technology with one objective: saving time! It is the newest generation of software that NEXUS has and is a real “eye-catcher”. We were able to provide convincing evidence of this at the Radiology Trade Fair in Hamburg and during our presentations at customers'. With the new NEXUS / RIS, we have created a great success with respect to ergonomics and function strength, a fact that radiologists and even medical-technical assistants (MTAs) have confirmed to us. It's about time from the viewpoint of users.



The new radiological file in NEXUS / RIS

**The market had not produced any completely new, technologically strong RIS for more than a decade. The customers are correspondingly enthusiastic when they test the new possibilities intensively.**

The pre-configured diagnosis of examinations is especially striking. It provides radiologists and doctors with valuable support in structuring their workflows and saves time. NEXUS supplies a novel interface completely adapted to users for this: the NEXUS Workspace. Long, drawn-out "working your way" through menu trees is a thing of the past; users switch fast and easily to the desired work area and obtain the required information using Workspace. Depending on the work area, from patient admission to diagnosis and all the way to billing, the user can combine workspaces and optimize the workflow. At the same, the currently selected views are used automatically at change of patient regardless of which setting is selected. Overview and flexibility are combined in a previously unknown extent with this.

The new NEXUS / RIS fits in seamlessly in the consistent "One-click to Information" philosophy of NEXUS and can be used as an independent module, as an integrated RIS/PACS solution or as an integral component of NEXUS / HIS. These combination options provide substantial advantages, which go far beyond today's applications. For example, the referrer portal is just as much a component of NEXUS / RIS as is joint scheduling with NEXUS / HIS and the integration of laboratory data or the QM system. NEXUS provides the complete range of software development experience here and links it in the new NEXUS / RIS.



Ralf Heilig / Chief Sales Officer



and we are continually expanding it.”  
“We have more than **8,500 users**, who work with NEXUS / HIS. The system is **very stable**, and we are continually expanding it.”  
“We have more than **8,500 users**, who work with NEXUS / HIS. The system is **very stable**, and we are continually expanding it.”

**Manfred Willems,**

Head of Product Management Clinics and Homes,  
LVR InfoKom / Rhineland Landscape Association

## Investor Relations

Active communication with our stockholders, potential investors, analysts and the finance market are the focal point of our investor relation activities. We continually inform all market participation promptly and comprehensively via press releases and ad hoc announcements as well as the mandatory quarterly, semi-annual and annual financial reports. In addition, we cultivate intensive dialog with institutional investors and finance analysts via telephone conferences and one-on-one meetings and on roadshows. Our homepage provides a precise overview of current measures and the schedules. We publish our business figures soon after each ended reporting period. In addition, our investor relations staff is of course available as a contact partner to provide information to you.



Simon Holzer / Head of Marketing,  
Investor + Public Relations

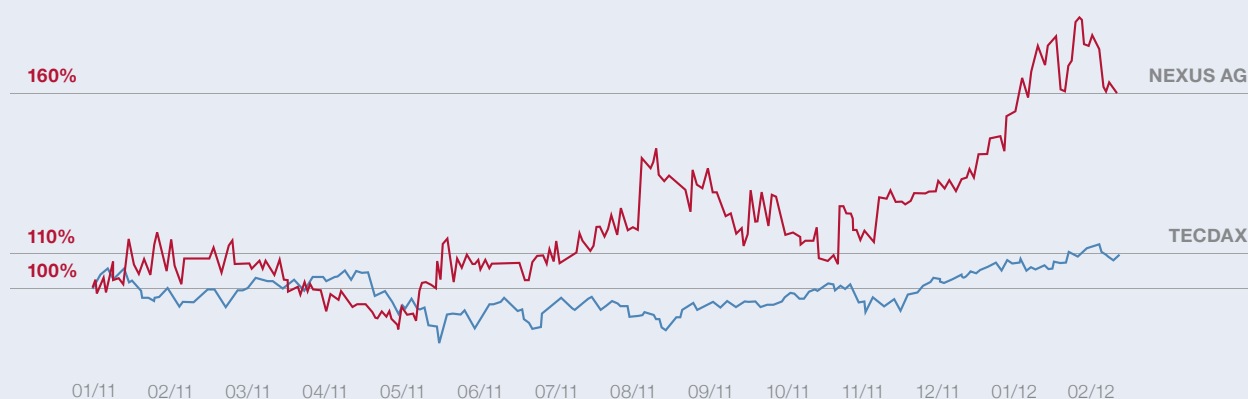
## Finance and Event Schedule

05/21/2012	Quarterly Report 01/2012
05/23/2012	General Stockholders Meeting 11 o'clock, Haus der Wirtschaft, Stuttgart (Germany)
08/20/2012	Half Year Report 2012
11/12/2012	Quarterly Report Q3/2012
11/12-11/14/2012	German Equity Forum, Frankfurt (Germany)

## Trade Fairs and Congresses

04/24-04/26/2012	conhIT, Berlin (Germany)
05/16-05/19/2012	Deutscher Röntgenkongress, Hamburg (Germany)
05/22-05/25/2012	HIT, Paris (France)
10/19-10/20/2012	KTQ-Forum, Berlin (Germany)
10/23-10/26/2012	IFAS, Zürich (Switzerland)
11/14-11/17/2012	MEDICA, Düsseldorf (Germany)

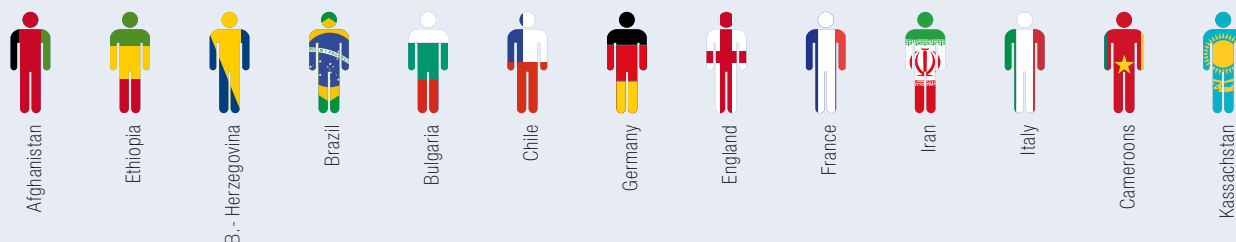
## Performance 2011 (Frankfurt Stock Exchange closing prices for the NEXUS share)



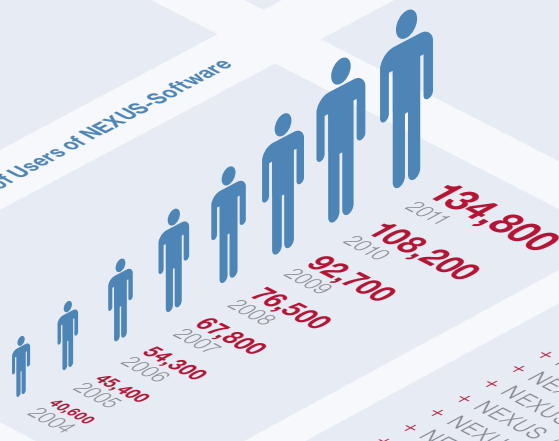
## Performance (Frankfurt Stock Exchange closing prices for the NEXUS share)

	2011	2010	2009	2008	2007
High	7.35	4.70	3.89	3.25	4.24
Low	4.64	2.83	1.86	1.39	2.79
Market Capitalization (year end in million KEUR)	99.13	63.59	46.25	21.54	43.49
Result per share in KEUR (average)	0.34	0.25	0.15	0.11	0.08

## So colorful is NEXUS:



Number of Users of NEXUS-Software



- + 152 new customers in 2011
- + 19 new HIS-customers
- + 35 new DS-customers
- + 21 new complete house installations

**NEXUS / HIS**  
Complete information system for somatic hospitals.

**WORKFLOW MANAGEMENT**

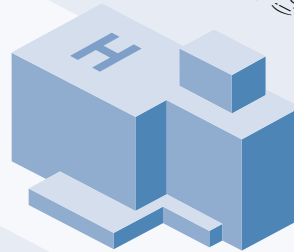
Controls the complete process of communicating findings.

- + NEXUS / AGREEMENT MANAGEMENT
- + NEXUS / CASEMAPS
- + NEXUS / CLEAN
- + NEXUS / DOCUMENT CONTROL
- + NEXUS / EMERGENCY SOP
- + NEXUS / LABORATORY SOP
- + NEXUS / MEDICATION
- + NEXUS / MEDOFFICE
- + NEXUS / REFERENCE FILE
- + NEXUS / RISK MANAGEMENT
- + NEXUS / SCHEDULER
- + NEXUS / WORKFLOW

**QUALITY MANAGEMENT**

A knowledge database and an assessment-solution as tool set for quality management and -assurance according to established procedures (i.e.: KTQ, EFQM, proCimCert, BQS).

- + NEXUS / CURATOR
- + NEXUS / OM-CONSULTING
- + NEXUS / HOLL
- + NEXUS / WEBZERT



**CASE MANAGEMENT**

Process coordination of clinical cases including patient management, administration and billing.

- + NEXUS / PATIENT MANAGEMENT
- + NEXUS / DDC
- + Activity recording central, local or automated.
- + NEXUS / PSYCH-OPS

**NEXUS / DIS**

Special solutions for all wards and offices in hospitals from planning to equipment integration and all the way to documentation. Available as a stand-alone or diagnostic system.

- + NEXUS / BRACHYTHERAPY
- + NEXUS / CARDIOLOGY
- + NEXUS / CYTOLOGY
- + NEXUS / DENTAL
- + NEXUS / DIGITAL IMAGING
- + NEXUS / GERIATRICS
- + NEXUS / GYNECOLOGY
- + NEXUS / INTENSIVE
- + NEXUS / NEONATOLOGY
- + NEXUS / OBSTETRICS
- + NEXUS / OPERATION THEATER
- + NEXUS / ANESTHESIA
- + NEXUS / PATHOLOGY
- + NEXUS / PSYCHIATRY
- + NEXUS / RADIOLOGY (RIS / PACS)
- + NEXUS / RADIOONCOLOGY

**NEXUS / IT**

IT-Consulting and SAP-Partner for the Healthcare sector. With its own brand NEXUS / CERTIFIED SYSTEMS NEXUS offers proven and certified hardware and technical solutions for NEXUS-software.

**NEXUS / PSYCHIATRY**

Complete information system for psychiatric hospitals.

**CLINIC MANAGEMENT**

This covers processes of hospital management such as accounting and controlling as well as administration.

- + NEXUS / INVOICING
- + NEXUS / FINANCIAL ACCOUNTING
- + NEXUS / INFORMATION STORE
- + NEXUS / MATERIALS MANAGEMENT

**NEXUS / ARCHIVING**

Uniform archiving of all documents, pictures and films on the NEXUS / COMMSERVER.



# Report of the Supervisory Board

The Supervisory Board was informed promptly in written and oral reports at regular intervals by the Executive Board about the respectively current development of business, the risk situation and especially about important events in the business year 2011. The Supervisory Board has fulfilled its checking and monitoring obligations.

The business transactions submitted for approval to the Supervisory Board due to legal and company statutes were checked and discussed with the Executive Board. In addition, the Chairperson of the Supervisory Board as well as his deputy were informed about the course of business at regular intervals.

The Supervisory Board convened four regular meetings in the business year 2011. In these, the Supervisory Board dealt above all with the current business situation, further strategic development as well as possible and current company acquisitions. The chances and risks of acquisition candidates were discussed intensively and negotiations were supported actively. Other focal topics are the organizational and market-conform orientation, further development of technology and marketing for the product range as well as the further internationalization of the company. In connection with the purchase of the shares of Domis Consulting AG, the Supervisory Board conducted an additional meeting via telephone conference.

The Human Resource Committee discussed and prepared the conclusion of service contracts in detail for all Executive Board members for the time starting from 1 January 2012. These service contracts were concluded based on the Supervisory Board resolution of 31 May 2011.

The Supervisory Board dealt in depth the topic of "Corporate Governance" in its session on 16 December 2011, especially with the German Corporate Governance Code. The Supervisory Board passed a resolution about the common correspondence statement of Supervisory Board and Executive Board in line with Clause 161 of the German Stock Corporation Law. The corresponding declaration is published in the Internet at [www.nexus-ag.de](http://www.nexus-ag.de).

The composition of the Supervisory Board did not change in 2011 due to the respectively running terms of office. The Supervisory Board members are still Dr. Hans-Joachim König, Prof. Dr. Ulrich Krystek, Wolfgang Dörflinger, Prof Dr. Alexander Pocsay, Erwin Hauser and Matthias Gaebler. None of the Supervisory Board members was absent at more than half of the Supervisory Board meetings.

The Auditing Committee created by the Supervisory Board met once in the business year 2011.

In addition to the Human Resources Committed and the Auditing Committee, other committees do not currently exist at NEXUS AG.

The Annual Financial Statement drawn up by the Executive Board of NEXUS AG, the Status Report, the Group Financial Statement and Group Status Report for the business year 2011 were audited with inclusion of the accounting of KPMG AG, Auditing Company, Stuttgart; KPMG AG is the legal successor due to merger with HHS Hellinger Hahnemann Schulte-Groß GmbH, Wirtschaftsprüfungsgesellschaft, Stuttgart, which was appointed auditor at the annual general meeting of NEXUS AG on 1 June 2011 and consequently appointed to conduct this audit. The auditors did not raise any objections and confirmed this in an unrestricted audit certificate. The Annual Financial Statement documents and the auditing report were submitted to the Supervisory Board; it checked them thoroughly and discussed them in detail in the meeting of the Auditing Committee and the Supervisory Board of 19 March 2012.

The auditor also took part in the financial audit committee meeting and in the meeting on 19 March 2012 of the Supervisory Board, and the auditor reported about the essential results of the audit and answered any questions.

On the basis of the check of the Audit Committee and its own audit, the Supervisory Board approved the result of the check of the audit with a resolution of 19 March 2012. No objections were raised following the final result of the check by the financial audit committee and the check by the Supervisory Board. The Supervisory Board assessed and approved the Annual Financial Statement and the Status Report drawn up by the Executive Board, the Group Financial Statement and Group Status Report as of 19 March 2012 and approved it as of 23 March 2012.

The Supervisory Board would like to thank the staff and the Executive Board of the company for their work and their high degree of personal dedication to the NEXUS AG and all associated companies. The Supervisory Board would also like to express its congratulations for another successful business year in 2011.

Villingen-Schwenningen, 19 March 2012  
The Supervisory Board



Dr. Hans-Joachim König

Chairperson



Dr. Hans-Joachim König / Chairperson

# Group Management Report 2011

## Depiction of the group and the course of business

### 1. Development of NEXUS Group in the Overall Economic and Industry Environment

NEXUS is a supplier of IT solutions for hospitals and specialist clinics. With the product groups

- + NEXUS / HIS: Complete information system for somatic hospitals
- + NEXUS / PSYCHIATRY: Complete information system for psychiatric institutions
- + NEXUS / RADIOLOGY: Radiology information (RIS) and diagnosing system (PACS) for radiology wards and offices
- + NEXUS / SENIOR CITIZEN HOMES: Information systems for senior citizen homes and nursing homes
- + NEXUS / STERILIZATION: Information system for hospitals sterilization processes
- + NEXUS / GYNECOLOGY: Information system for obstetric institutes and gynecology
- + NEXUS / DIS: Interdisciplinary diagnostic information system
- + NEXUS / HOSPIS: Complete administration information system for Swiss hospitals
- + NEXUS / PATHOLOGY: Information system for pathology and cytology institutes
- + NEXUS / QM: Information system for quality management in the healthcare system
- + NEXUS / CURATOR: Software for administration processes
- + NEXUS / INFORMATION STORE: Management information systems for hospitals
- + NEXUS / CCC: Services and hotline for customers
- + NEXUS / IT: Outsourcing / services and SAP partner in the healthcare system

IT solutions for problems of customers in the healthcare area are adapted and specific processes are depicted as well as specific services provided. The software architecture is modular, open and service-oriented. The service orientation of the products makes it possible to integrate functionalities (services), especially into third-party products. In this way, regular customers of newly acquired companies can profit directly from additional functions.

The various modules of the software solution are used for improving administration processes, billing processes and course of treatments as well as for optimizing the quality of the documentation of patient data. The goal of our products is to offer tools to our customers in the healthcare system, with which they can digitalize, accelerate and improve the quality of their business processes. IT services round out the performance range.

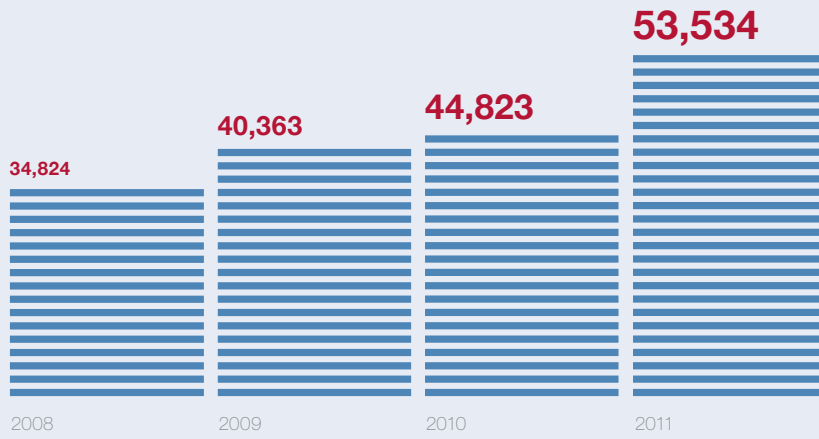
NEXUS Group is represented at the sites Villingen-Schwenningen, Aachen, Ismaning, Jena, Frankfurt (Main), Berlin, Hanover, Singen (Hohentwiel), Ratingen, Schwerzenbach (CH), Basel (CH), Baar (CH), Altshofen (CH), Lugano (CH), Vienna (A), Bologna (I), Grenoble (F) and Riyadh (SA). NEXUS AG sets the decisive strategic orientation of the Group.

NEXUS sells mainly to customers in the public healthcare system domestically and abroad with focus on Germany, Switzerland and Austria as well as France since 2011. Consequently, the number of orders is strongly dependent on the developments of budgets in the healthcare system, especially in these four countries, and structural changes in hospitals in addition to the competitive situation.

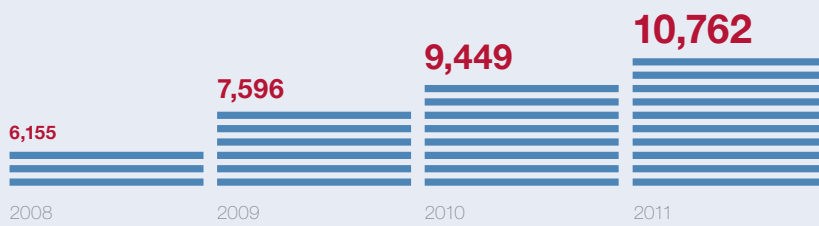
NEXUS AG has developed largely independent of business cycle fluctuations over the past years despite the financial and economic crises in 2008 and 2010. The effects of the current debt crisis and the associated budget cuts in the public sector on the business of NEXUS AG cannot be assessed definitely, because the general conditions – especially the financing of public projects in the respective countries – can change very quickly. The developments in other regions are also subject to uncertainties. Due to the upheavals in the Arab world, the sales of NEXUS have declined considerably in this region, and it is not clear when the situation will return to normal.

However, it seems that the topic of “optimization in the health care system via modern information systems” will continue independent of the respective crisis in almost all countries and remain a priority. Consequently, these projects will be carried out in the long term.

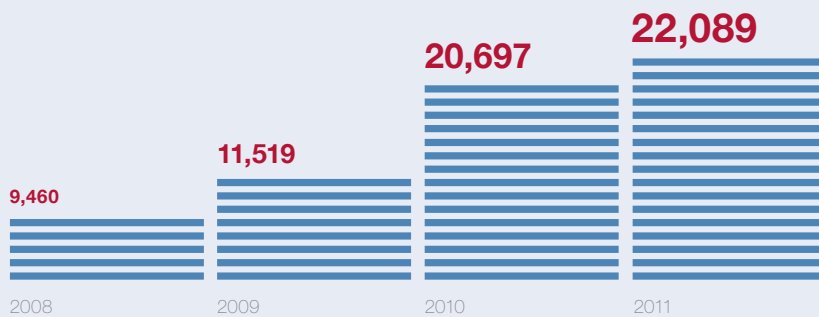
**Sales in KEUR +19.4%**



**Sales Healthcare Software Division in KEUR +13.9%**



**Liquidity in KEUR +6.7%**



### Industry trends

There are currently a number of new developments in information technology, which will set the course for the future in the software industry:

**A. Mobile-centric applications and interfaces:** The user interface customary for many years is currently changing. User Interfaces (UI) with window techniques, icons, menus and mouse pointers are being replaced by mobile-centric interfaces. The descriptive keywords for the new interfaces are touch, gesture, language, video and search. The applications themselves are also changing. Focused and simple apps, which can be combined into a more complex solution, will set the tone in the future. Software suppliers have to implement other interface designs and display applications on various terminals optimally.

**B. App stores and market places:** Gartner expects more than 70 billion downloads from app stores such as Apple and Google in 2014. While these transactions currently represent purely end customer-driven business, applications and offers will become increasingly established in a business environment over the next few years. Software suppliers in the business field have to establish app stores as an alternative marketing form.

**C. Media tablets as new form of "mobile computing":** The considerable increase in use of mobile terminals and the associated adaptation of software applications have been essential developments of recent times. Software companies are challenged to run the different client types with their applications. Smartphones and tablet PCs will take an increasingly larger role and must be operated in addition to existing clients.

**D. Cloud computing is at the threshold of influencing most industries in the long term. However, it is still in an early phase. In 2012, many large providers will launch offers on the market, which promote the setting up, operating and delivering of cloud services. Oracle, IBM and SAP have started large projects, and even Microsoft is promoting the cloud strategy. Companies and hospitals increasingly analyze which tasks they want to shift to the cloud and in which segments they can set up private clouds. Hybrid models of public and private installations as well as the backing up, administering and steering the complete cloud spectrum will be the dominant topics in 2012.**

**E. Analytics of the next generation:** analytics is growing in three dimensions:

- a) From traditional offline analytics to inline embedded analytics
- b) From the analysis of historical data, which explains what happened, to an analysis of historical and real-time data from various sources, which simulates the future and is designed to predict it.
- c) From the analysis of structured and simple data to evaluation of complex information and formats (text, video, etc.) from various sources to support joint decision-making processes

Analytics applications currently still concentrate on supporting decision making and collaboration. In the next step, there will be more offers for simulation, forecasts and optimization.

**F. In-memory computing:** Flash memory chips are currently being used increasingly in end customer and entertainment devices as well as in embedded IT systems. As a result, a new layer has been created in the memory hierarchy of servers, which requires less space, creates less heat and enables increased performance. The extensive memory possibilities are preparing the ground for new applications.

In-memory application platforms include:

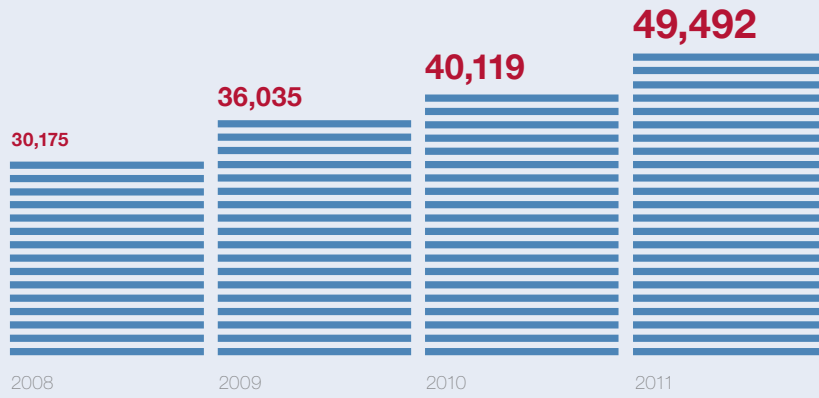
- a) Analytics of the next generation
- b) Event-processing platforms
- c) In-memory application servers
- d) In-memory data management
- e) In-memory messaging

In-memory basic technology provides the possibility for software applications to improve transaction performance and accelerate data analyses, for example.

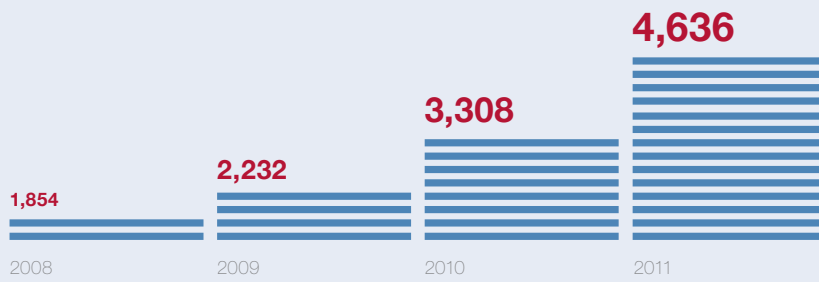
**G. Big Data:** Big Data is a synonym for increasing data quantity, which is fed from various sources and will grow dynamically over the coming years. Data quantity, complexity of formats and delivery speed of data processing will put excessive demands on traditional data management in the future; intelligent solutions for storing, analyzing and controlling larger, distributed data quantities will become more and more a decisive competitive factor. An essential implication of Big Data is that users will no longer be able in the future to keep all meaningful information in one single data warehouse. Logical data warehouses combine information from different sources and will replace conventional models.



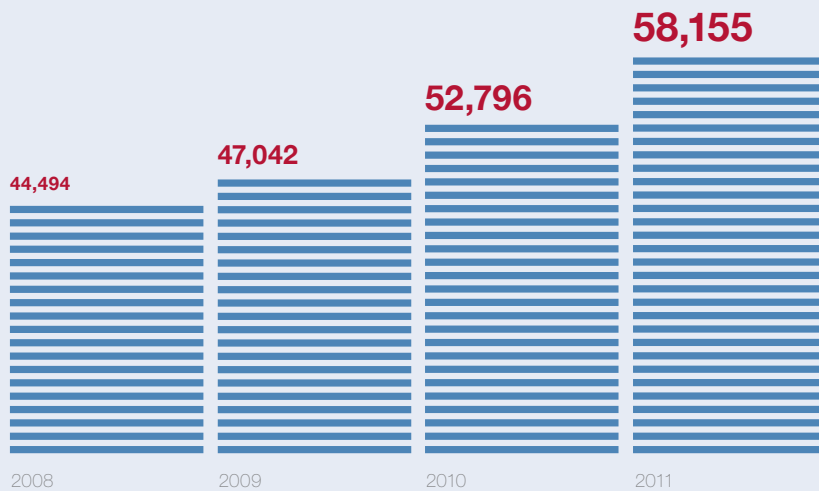
**Sales Segment Healthcare Software in KEUR +23.4%**



**Result before tax in KEUR +40.1%**



**Equity capital in in TEUR +10.2%**



**Outlook:** Software innovations will also remain the dominating topic in the healthcare system over the coming years. The trends outlined above represent the essential developments, which are to be noted in software development. Especially the topic "mobile-centric applications", "interfaces" and "analytics of the next generations" will have decisive influence on the further development of applications of NEXUS.

### Sales and market development

The sales and marketing activities of NEXUS were rewarded with a substantial number of orders received and high visibility of the company in 2011. We have considerably expanded our sales and marketing activities, especially in Switzerland and Germany.

With 152 new customers for the Group overall, NEXUS has again positioned itself very well in new business. This especially applies to the German and Swiss markets. In France, we have started to penetrate the market with an acquisition and have also been able to win a number of new customers. In the area of complete systems, 19 new hospitals and psychiatric institutions decided in favor of our NEXUS/ HIS. We had 79 new customers in the area of diagnostic systems, of which 11 new customers decided to use our radiology systems RIS and PACS. With 18 new customers in quality management and 35 new customers for senior citizen and nursing homes, these product areas were also very successful.

### Production and company integration

The divisions of NEXUS did not change in 2011. As previously, business is divided into independent divisions, which are responsible for their product and market activities within the context of Group planning. In addition to the separation into divisions, we also have regional grouping, which mainly refers to the countries Switzerland, Germany, Austria and France.

In 2011, the central offices of Controlling, Marketing and Development were expanded further within the Group. NEXUS AG as an economic unit is taking more of a holding function, because main functions are located there.

A few significant investments in strategic company acquisitions were made in 2011:

NEXUS AG purchased the remaining 20% minority interest in NEXUS Italia S.r.l., Italy, for cash on 4 May 2011. NEXUS now owns 100% of the company due to the purchase. As of 10 May 2011, NEXUS AG acquired 62% of the shares of Domis Consulting, Altshofen (Switzerland), partially for cash and partially within the context of an increase in non-cash capital in return for the issue of NEXUS shares. In addition, a put-call option agreement was concluded for the outstanding 38% of the shares, which foresees a reciprocal option for sale/purchase of these shares in 2014 at a success-dependent purchase price. NEXUS has expanded its software by the senior citizen and nursing home sector thanks to the acquisition.

At the same time, the modules finance management and personnel management already used in hospitals could be reinforced thanks to additional staff resources.

NEXUS AG acquired 100% of the shares of OPTIM S.A.S., Grenoble (F) for cash on 8 July 2011. The purchase serves within the NEXUS Group for rounding out the product program – especially in the area of sterilization – and supporting the market entry of the NEXUS Group in France.

NEXUS AG purchased a 60% interest in VEGA Software GmbH, Aachen, for cash on 17 October 2011. NEXUS / CIS GmbH acquired 30% of the shares, and a third shareholder external to the NEXUS Group acquired another 30%. With the purchase, NEXUS is striving to obtain a stronger position in the area of software for senior citizen homes in Germany.

NEXUS AG purchased 8.51% minority interest in NEXUS / INOVIT GmbH for cash on 24 November 2011. NEXUS AG now owns 100% of the company due to the purchase.

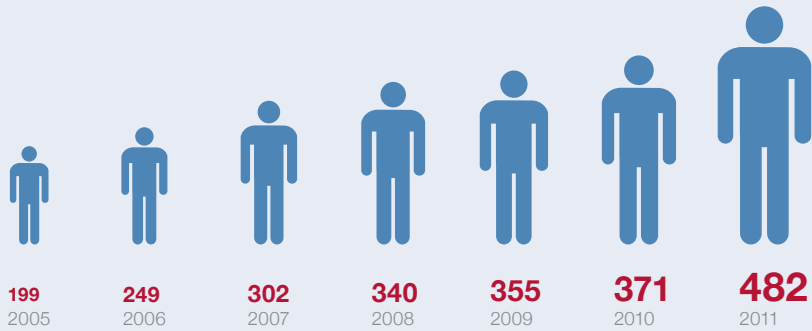
### Growth and improvement in performance

With sales of EUR 53.5 million, NEXUS AG surpassed its previous year's sales of EUR 44.8 million by a considerable amount. The result before taxes on profits increased from EUR 3.3 million in the previous year to EUR 4.6 million. The market position of NEXUS AG has improved further thanks to the new orders, especially in Germany and Switzerland.

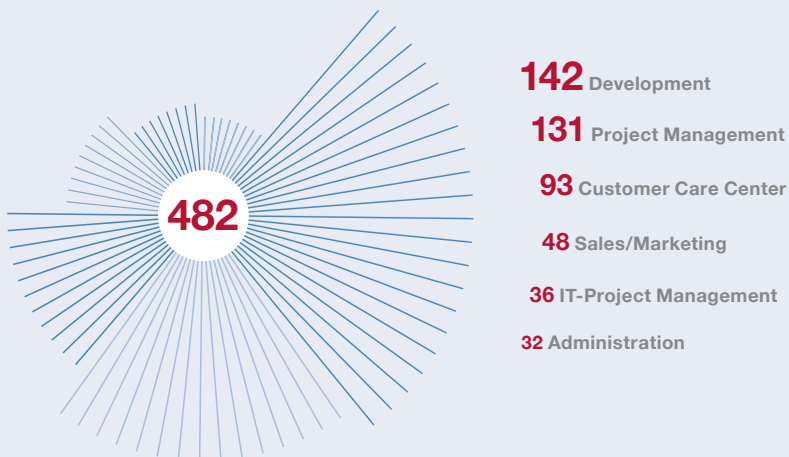
The sales focus of NEXUS in 2011 remained in the Healthcare Software Division. In comparison to the previous year, the division again achieved a substantial increase in sales. Within this division, international business increased to 48.7% (previous year: 44.2%) of total sales in 2011.

As a result, the share of sales outside of Germany increased overall from 39.7% to 45.1%. The increase in international business is especially concentrated in the Swiss and Liechtenstein markets. In these markets, sales totaled KEUR 20,905 following KEUR 14,598 in the previous year. Business increased by approx. 8.8% in Germany and reached KEUR 29,385 following KEUR 27,017 in the previous year. In addition to the exchange rate, the different growth rates in the regions are due to the initial consolidation of Domis AG for eight months, which especially operates in the Swiss market. Sales effects from the consolidation results in the amount of KEUR 4,877. This contains sales in the areas of financial accounting and personnel software, which were transferred from NEXUS Schweiz GmbH to Domis Consulting AG.

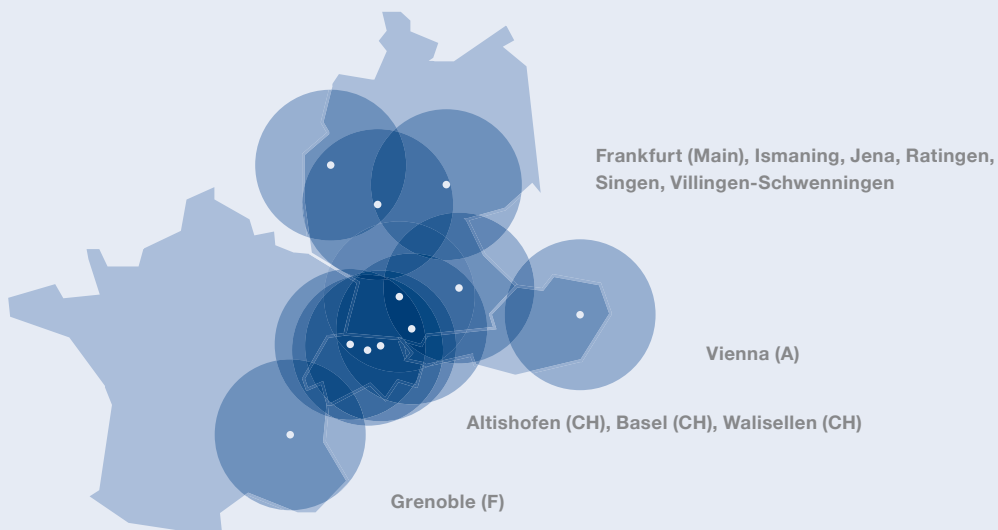
Number of employees Each on December 31st\*



Structure of employees\*



Important Locations



\*including Executive Board

NEXUS / OPTIM S.A.S. was also consolidated for the first time with sales of KEUR 1,211 for six months and VEGA Software GmbH with sales of KEUR 163 for three months. Without the initial consolidation of these companies, sales of the NEXUS Group would have been KEUR 6,251 lower; the transfer of business to the new units is not considered in this. Sales effects from exchange rate fluctuations compared to 31 December 2011 especially concerned Swiss francs. The average exchange rate of Swiss francs in 2011 was EUR 1.23. It was EUR 1.38 in 2010. The effect on sales of the exchange rate changes amounts to KEUR 1,750.

Our activities in foreign countries are an essential component of our business. We invest considerably into development and production for foreign markets as well as consider possible company acquisitions to simplify entry into markets.

The Healthcare Service Division developed negatively with respect to sales and result compared to the previous year. A large customer reduced his orders here, for which it was not possible to compensate during the year.

Our growth and revenue situation were steered based on the key figures in sales, personnel and EBIT in the short-term income statement of the Group subsidiaries.

### Product Development

The year 2011 was marked by developments of new modules "Medication", "Patient Chart" and "OP System" as well as the development of "NEXUS New Generation". Substantial resources were invested in development of diagnostic information systems (NEXUS / DIS). The new generation of the radiology module (NEXUS / RIS), the intensive medicine module (NEXUS / PDMS) as well as the obstetrics solution (NEXUS / OBSTETRICS) were in the forefront here. Essential investments continued to be made into the development of international accounting (NEXUS / HOPSIS) and in the area of NEXUS / SWISSDRG

### Other financial obligations

The Group has mainly concluded leasing agreements for operation and business facilities (incl. the EDP hardware) and official vehicles. In addition, there are rental contracts and other contract obligations for business offices. The purpose of the contracts is the financing and procurement of assets necessary for business operations.

Risks can be created by the conclusion of expensive follow-up contracts at higher costs after expiration of these contracts.

Advantages, which resulted in decisions for carrying out or retaining these transactions, are found mainly in the low capital requirements for the company in procuring the required assets for business. In

addition, there is no exploitation risk for the company thanks to the leasing financing and the possibility of short-term securing of the current state of technological development.

## 2. Assets, Finances and Profit Situation

The NEXUS Group had consolidated sales of KEUR 53,534 in 2011 following KEUR 44,823 in 2010. This represents an increase in sales of KEUR 8,711 (+19.4%). The EBITDA 2011 was KEUR 10,762 following KEUR 9,449 in 2010 (+13.9%). As a result, NEXUS AG has improved the EBITDA for the eleventh year in succession on an annual basis. Higher revenues are the main reason for the result improvement, especially in the product areas of NEXUS / CIS and NEXUS / CSO, NEXUS / DIS and NEXUS / HOSPIS. The period result before taxed (EBT) for the year improved from KEUR 3,308 in the previous year to KEUR 4,636 (+40.1%). Write-offs of receivables due to continual decreases in value affected the result negatively with KEUR 1,520 (previous year: KEUR 570). These concern receivables, which come from projects in crisis regions and the realization of which has become doubtful. The three companies consolidated for the first time achieved together an EBITDA of KEUR 648 and an EBT of KEUR 252.

The Group annual surplus also improved considerably from the previous year (KEUR 3,538) to KEUR 4,695 (+32.7%). Thanks to the positive development of earnings in almost all companies of the NEXUS Group, a positive tax yield results as of the balance sheet date due to additional capitalization of taxable losses carried forward not used yet.

With respect to the segment results, a positive picture resulted in 2011. The Healthcare Software Division developed further and achieved a result of KEUR 3,254 before taxes and interest (EBIT) following an EBIT of KEUR 2,946 in the previous year (+10.5%). The Healthcare Service Division improved its result before taxes and interest from KEUR 784 in the previous year to KEUR 965 (+23.1%) in 2011.

Goodwill and company values in the amount of KEUR 18,433 (previous year: KEUR 12,793) have maintained their value completely as of the balance sheet cut-off date according to our performed impairment tests. For the other intangible assets in the amount of KEUR 18,231 (previous year: KEUR 17,044), which are composed mainly of our own developments as well as acquired technology and customer base, there were no indications of value reductions in 2011.

Intangible assets including goodwill currently amount to KEUR 36,664 (previous year: KEUR 29,837) and thus represent 45.6% (previous year: 43.7%) of the balance sheet total.

The equity capital of NEXUS Group was KEUR 58,155 on the cut-off date following KEUR 52,796 in the previous year, which corresponds to an equity capital rate of 72.3% (previous year: 77.3%). The received down payments remained at the high level of the previous year and amounted to KEUR 5,627 following KEUR 5,392 in the previous year. The main reason for this is attributable to customer down payments for software projects.

The amount of cash assets plus financial assets held in the short term as liquidity reserves increased by KEUR 1,392 and was KEUR 22,089 as of 31 December 2009 (previous year: KEUR 20,697). This corresponds to 27.5% (previous year: 30.3%) of the balance sheet total. Receivables developed mainly linearly to the course of business and amount to KEUR 14,364 on 31 December 2011 following KEUR 11,870 in the previous year (+21.0%). The inflow and outflow of funds is shown in the cash flow statement. A cash flow from current business activities of KEUR 10,995 was generated in 2011 following KEUR 13,929 the business year 2010 (-21.1%).

The cash flow from investment activities was KEUR 17,650 as of the balance sheet date (previous year: KEUR 4,988). Investments in company acquisitions, investments in our development services and the granting of note loans are especially reflected in this. The cash flow from financing activities results from the sale and purchase of our own shares.

#### General statement about the condition of the group

NEXUS Group has an attractive product program and stable customer relations. Current growth plans can be achieved with our cash assets on hand and our existing capital base

### 3. Course of Business of the Company Divisions

#### Health Care Software Division:

##### Continued Growth and New Orders

The Healthcare Software Division provides software products, which we created, on the international market for institutions in the health care sector. This division achieved (external) sales of KEUR 49,492 in 2011 following KEUR 40,119 in the previous year. This represents an increase of 23.4%. The growth of this sector is especially the result of the good order situation of the area of hospital information systems (NEXUS / HIS).

#### Healthcare Service Division:

##### Increased revenue with decreased sales

The Healthcare Service Division provides IT services for institutions in the healthcare system in Germany. This division achieved (external) sales of KEUR 4,042 in 2011 following KEUR 4,704 in 2010 (-14.1%),

### 4. Personnel Developments

The development of personnel is especially significant in the market of hospital information systems. In this area dependent on knowledge, in which medical knowledge is combined with informatics to create customer-oriented solutions, the success of development projects often depends on the knowledge and education of individuals. Consequently, NEXUS puts a great deal of value on efficient management of human resources.

The number of employees and their structure at NEXUS has again increased due to new hiring and company acquisitions. While there were 371 employees in the previous year on the cut-off date of 31 December 2011, there are now 482 people employed in the NEXUS Group.

### 5. Investments / Acquisitions

Five investments in strategic corporate participating interests were made in 2011:

NEXUS AG purchased the remaining 20% minority interest in NEXUS Italia S.r.l., for a total amount of KEUR 20 in cash on 4 May 2011. NEXUS now owns 100% of the company due to the purchase.

As of 10 May 2011, NEXUS AG acquired 62% of the shares of Domis Consulting with its 60% share in the Synergetics AG, both Altishofen (Switzerland), with cash payment of KEUR 2,910 and within the context of an increase in non-cash capital in return for the issue of 134,000 shares of NEXUS at a total value of KEUR 934. In addition, a put-call option agreement was concluded for the outstanding 38% of the shares, which foresees a reciprocal option for sale/purchase of these shares in 2014 at a success-dependent purchase price. NEXUS has expanded its software by the senior citizen home sector thanks to the acquisition. At the same time, the modules finance management and personnel management could be reinforced thanks to additional staff resources. Initial including of Domis Consulting AG acquired in 2011 resulted in sales with third parties of KEUR 4,877 as well as a sales contribution to the Group annual surplus of KEUR 177.

NEXUS AG acquired 100% of the shares of OPTIM S.A.S., Grenoble (F), for a total amount of KEUR 1,575 for cash on 8 July 2011. The purchase serves within the NEXUS Group for rounding out the product program – especially in the area of sterilization – and supporting the market entry of the NEXUS Group in France. Initial including of OPTIM S.A.S acquired in 2011 resulted in sales with third parties of KEUR 1,211 as well as a sales contribution to the Group annual surplus of KEUR 33.

NEXUS AG purchased 60% interest in VEGA Software GmbH, Aachen, for a total amount of KEUR 280 for cash on 17 October 2011. NEXUS / CIS GmbH acquired 30% of the shares, and a third shareholder external to the NEXUS Group acquired another 30%. With the purchase, NEXUS is striving to obtain a stronger position in the area of software for senior citizen homes in Germany. Initial including of VEGA Software GmbH acquired in 2011 resulted in sales with third parties of KEUR 163 as well as a sales contribution to the Group annual surplus of KEUR -11.

NEXUS AG purchased 8.51% minority interest in NEXUS / INOVIT GmbH for a total amount of KEUR 86 for cash on 24 November 2011. NEXUS AG now owns 100% of the company due to the purchase.

## 6. Development Services

Development costs capitalized in 2011 increased by 2.5% to KEUR 4,475 (previous year: KEUR 4,365). The developments capitalized in 2011 include performances, which were provided in connection with "NEXUS New Generation" with the new modules of the products NEXUS / HIS, the hospital information system for somatic hospitals, NEXUS / PSYCHIATRY, the complete system for psychiatric institutions, NEXUS / RADIOLOGY, the radiology information system and PACS (Picture Archiving System), and NEXUS / GYNECOLOGY, the system for obstetrics and gynecology solutions. In addition, investments were made in the products NEXUS / HOME, the information system for senior citizen and nursing homes as well as NEXUS / FINANCE, the ERP system for hospitals. In 2011, the investment focus was especially in the area of NEXUS / HOSPIS, the international accounting system of the NEXUS Group as well as in the new radiology information system (NEXUS / RIS).

Development investments, which can be capitalized, of a total amount of approx. KEUR 4,300 are planned for the business year 2012. The Group does not conduct any research. A total of 142 people were employed in the development sector in the reporting year (previous year: 127). A total of KEUR 11,818 (previous year: EUR 12,618) were spent for development. Of the sales in 2011, KEUR 10,490 (previous year: KEUR 9,513) are thanks to license revenue.

## 7. Information about the Stocks, Stockholders and Organs of NEXUS AG, especially according to Section 315a para. 4 of the German Commercial Code (HGB)

### 7.1 Composition of equity capital and securities market listing

NEXUS AG is listed on the Frankfurt securities market in Prime Standard under securities identification number (WKN) 522090. The subscribed capital in the amount of EUR 14,305,150 is composed of 14,305,150 individual share certificates at the nominal accounting value of EUR 1.00 each. Refer to the German Stock Corporation Law (subsection 8 ff AktG) for information about the rights and obligations with respect to the individual share certificates.

### 7.2 Restrictions of the stocks

There are no restrictions affecting voting rights or transfer of stocks that we are aware of.

### 7.3 Direct or indirect shares of capital

The following communicated direct and indirect shares in capital exceed 10 of one-hundred of the voting rights insofar as is known:

- + Burkart Beteiligungen GmbH, Singen: 17.3%
- + Jupiter Technologie GmbH & Co. KGaA, Schwäbisch-Hall: 17.1%

### 7.4 Stockholders with special rights

There are no stockholders with special rights that grant control rights.

### 7.5 Type of Voting Right Control in the Case of Employee Participations

There is no separation between voting right and stock for the employees with capital shares. Employees can exercise control rights directly.

### 7.6 Naming and Dismissing Executive Board Members and Amendments to the Articles of Incorporation

More far-reaching bylaws for naming or dismissing Executive Board members do not exist other than the legally applicable ones. In addition, there are no essential bylaw provisions, which deviate from legal regulations and flexible regulations.

## 7.7 Rights of the Executive Board with respect to the Option of Issuing or Buying Back Stocks

### Empowerment to purchase own stocks

The company is empowered to purchase its own stocks up to 1,380,520 individual share certificate in a calculated nominal value of EUR 1.00 each. This empowerment is valid until 31 May 2015. The purchase is made according to the choice of the Executive Board via the securities market or via a public purchase offer directed to all stockholders. More than 10% of the capital stock may not be allotted of these shares purchased at any time after the empowerment, which are owned by the company or which are to be attributed to it according to subsection 71 a ff. of the German Stock Corporation Law (AktG). The company may not use this empowerment for the purpose of trading with its own stocks. The company can use this empowerment completely or in partial amounts once or several times, but this can also be done for the account by third parties.

If stocks are purchased directly via the securities market, the paid equivalent value per share (excluding incidental purchase costs) may not exceed the average price of the closing rates in XETRA trade (or a comparable follow-up system) at the Frankfurt/Main Securities Market for the stocks of the company during the last five stock market days before purchase of the stocks by more than 10% nor may they be more than 10% below these prices. If stocks are purchased directly via a public purchase offer (or public call to submit an offer) to all stockholders, the offered purchase price or the limit values of the offered purchase price rate per share (excluding incidental purchase costs) may not exceed the average price of the closing rates in XETRA trade (or a comparable follow-up system) at the Frankfurt/Main Securities Market for the stocks of the company during the last five stock market days before publication of the purchase offer by more than 10% nor may they be more than 10% below these prices.

The Executive Board is empowered to call in its own stocks purchased based on the granted empowerment with approval of the Supervisory Board and without a further resolution of the general stockholders' meeting. It is also empowered to offer the stocks purchased based on the granted empowerment with approval of the Supervisory Board to a third party within the context of company mergers or at purchase of companies or participating shares in companies. The subscription rights of stockholders to their own stocks are insofar excluded.

NEXUS AG started a stock option program in 2011. A total of 3,872 shares were purchased valued at an average rate of KEUR 6.65 as of 31 December 2011.

### Authorized Capital

The Executive Board is empowered to increase the capital stock of the company in the period until 31 May 2015 with approval of the Supervisory Board one time or several times up to a total of EUR 6,902,600.00 via issue of new no-par bearer stocks (individual share certificates) against cash and/or capital subscribed in kind (authorized capital 2010). The new shares can also be issued to employees of the company or an affiliated company. The Executive Board shall decide about the conditions of the stock issue subject to approval by the Supervisory Board. The Executive Board is also empowered – subject to approval by the Supervisory Board – to decide about the exclusion of stock rights of stockholders in the following cases:

- + For residual amounts
- + For issue to employees of the company or an affiliated company
- + For a capital increase against capital subscribed in kind for purchase of companies, company parts or shares in companies
- + At capital increase against cash investment if the issue amount of the new shares does not fall substantially short of the already the listed price of shares already listed on the securities markets of the same class and same investment at the time of final determination of the issue amount by the Executive Board in the sense of Subsection 203 para. 1 and 2, 186 para. 3 sentence 4 of the German Stock Corporation Law (AktG) and the proportional amount of the capital stock for the new shares does not exceed 10% of the capital stock existing at the time of empowerment, for which the subscription right was excluded. At the maximum limit of 10% of the capital stock, shares of the capital stock are included in the calculation, which were sold during the term of approved capital with exclusion of the subscription right of stockholders pursuant to Subsection 71 para. 1 No. 8 sentence 5, 186 para. 3 sentence 4 of the German Stock Corporation Law, for which conversion rights or option rights or a conversion obligation or a option exercise obligation exists due to options and/or convertible debentures, which were issued since granting of this empowerment with exclusion of the subscription right pursuant to Section 221 para. 4, 186 para. 3 sentence of the German Stock Corporation Law.

The empowerment still amounts to EUR 6,488,600.00 after partial consumption via a capital increase in the amount of EUR 280,000.00 for non-cash investment of 90% of the shares in Flexreport AG, Baar (CH), in July 2010, and after partial consumption via a capital increase in the amount of EUR 134,000.00 for non-cash investment of 15.131% of the shares in Domis Consulting AG, Altishofen (CH), in September 2011.

### 7.8 Essential agreements, which are subject to a control change due to a takeover offer

There are no essential agreements of the company, which are subject to a control change due to a takeover offer.

### 7.9 Compensation agreements

Compensation agreements of the company, which have been concluded with the members of the Executive Board or employees in the case of a takeover offer, do not exist.

## 8. Declaration about company management as well as compliance statement

The declaration about company management as well as compliance statement according to Section 161 of the German Stock Corporation Law (AktG) have been published at the company website at [www.nexus-ag.de](http://www.nexus-ag.de) – Investor Relations – Corporate Governance.

## 9. Main Features of the Remuneration System for the Executive Board

The Supervisory Board of NEXUS AG sets the structure and amount of remuneration to the Executive Board members. The remuneration system for the Executive Boards is based on the principles of orientation to performance and result and is composed of a success-independent base payment as well as success-dependent components. Criteria for the appropriateness of the remuneration to each Executive Board member especially include the responsibilities of the respective Executive Board member, his personal performance, the economic situation, the success and future outlook of company under consideration of the market environment. In addition, the Group maintains a pecuniary loss insurance policy for its executive body members (i.e., a directors and officers liability insurance policy). The success-independent base remuneration is composed of a fixed sum, paid in 12 monthly payments, and nonmonetary compensation, which equal the value of company car use in line with tax stipulations. For the employee pension scheme, the Group also makes payments into a life insurance policy and a pension fund.

The success-independent components include an annually recurring component linked to company success and a component with a long-term stimulus effect and risk character in the form of a bonus. The annually recurring components are oriented to the EBIT of the NEXUS Group and achieved targeted values. The component with long-term incentive effect linked to the development of the stock price of NEXUS AG.

	2011	2010
	KEUR	KEUR
<b>Salary Components</b>		
Success-independent components	569	550
a) Services due in the short term	538	519
b) Benefits after termination of employment	31	31
Success-dependent components without long-term incentive effect	382	320
Components with long-term incentive effect at current market value-stock-based	53	0
<b>Total</b>	<b>1,004</b>	<b>870</b>

Based on the resolution of the general stockholders meeting of 18 June 2007, no individualized information about the salaries of Executive Board members is provided in line with Section 286 para. 5 of the German Commercial Code (HGB) for the business years 2007 until 2011. There are no promises concerning compensation to Executive Board members in the case of leaving the board prematurely. No more stock options were issued to the Executive Board members on the balance sheet cut-off date.

A loan in the amount of KEUR 250 was granted to an Executive Board member in 2008. KEUR 42 was repaid in the reporting year. As of 31 December 2011, loans and interest amounted to KEUR 52. A final payment in the amount of EUR 52 will be due on 30 April 2012. The interest rate for the granted loan is 4% p.a. The interest payments are due on the redemption dates. No security was provided.



**“The new NEXUS / RIS is  
exactly what we need:**

**simpler,  
intuitive and  
it saves  
us time.”**

**Maren Ingwersen,**  
Project- and Quality Management,  
Städtisches Krankenhaus Kiel GmbH, Kiel

## 10. Remunerations to the Supervisory Board

The general stockholders meeting of NEXUS AG sets the structure and amount of remuneration to the Supervisory Board members; this is regulated in the bylaws of NEXUS AG. The remunerations are based on the tasks and responsibilities of the Supervisory Board members as well as on the business success of the Group. Every Supervisory Board member receives an annual payment, which is composed of fixed and variable amounts. The fixed remuneration for the Supervisory Board chairperson is EUR 15,000 and EUR 11,000 for the other Supervisory Board members. In addition, result-dependent variable compensation is granted, which is maximum EUR 15,000 for the Supervisory Board chairperson and maximum EUR 5,000 for the other Supervisory Board members. The chairpersons in other committees are granted additional EUR 1,000.

The overall remuneration of the Supervisory Board amounted to KEUR 112 (previous year: KEUR 85).

In addition to their work in the Supervisory Board, the members of the Supervisory Board provide services themselves or via companies affiliated with them for the NEXUS AG and invoice them in line with customary market conditions. In 2011, the expenses for such service fees in the Group amounted to KEUR 102 (previous year: EUR 92).

In addition, the Group maintains a pecuniary loss insurance policy for its executive body members (i.e., a directors and officers liability insurance policy).

## 11. Risk Management as well as Risk and Chance Reporting

NEXUS AG has implemented an appropriate internal monitoring system as well as controlling instruments and risk management. In addition to intensive cost and result management, which is monitored within the framework of management supervisory board meetings at regular intervals, there is a risk management manual. The following risk fields are monitored correspondingly by a management team:

- + Customer projects
- + Development projects
- + Lack of market acceptance of products
- + Loss of staff with know-how
- + Legal disputes
- + Development of subsidiaries and holding companies

Reporting, documentation and development of measures are regulated in the risk manual of NEXUS AG. The Executive Board checks its implementation at regular intervals. Two risk sheets were reported to the Executive Board from the offices responsible for it in 2011, and the Executive Board evaluated them. The Executive Board monitors risks due to the use of financial instruments centrally.

Implementation problems, especially technical ones, could result in penalties or undoing in the existing large projects, which could affect revenues and the market reputation negatively. Non-payment in large projects due to temporary shortage of liquid funds or customer refusal to pay can result in liquidity problems for the company, especially when substantial advance performances are provided in large projects. This risk is reduced to the greatest extent possible by the agreement to provide down payments. Non-payment risks or risks that a contractual partner cannot fulfill his payment obligations are controlled actively within the framework of debt management (e.g., credit investigations). Non-payment risk concentrations are created temporarily in the Group within large projects. The maximum risk amount results from the book value of the capitalized receivables. Risks from fluctuations of payment flows do not exist at this time due to the existing liquidity reserves and the increasingly smooth payment flows.

The Group strives to have sufficient means of payment and equivalents for this or have corresponding irrevocable credit lines to fulfill its obligations over the coming years. In addition, the company has approved capital available for further capital increases.

Risks also exist during the scheduling and budgeting of developments, which can cause substantial effects on marketing and cost positions if scheduling and budgeting deviate from original plans.

The development of NEXUS AG is strongly dependent on the knowledge and Group-wide willingness to perform of its staff. There is a risk in principle to lose competent employees due to fluctuation and consequently lose market advantages. If a larger number of core know-how staff members leave the company, this could result in substantial difficulties in operational business dealings, at least in the short term. In addition, the labor market has experienced a lack of specialists for years. The development of our staff is an important component for farsighted and reliable ensuring our staff resources.

Significant legal risks are not known at this time.

Increased attention is being paid to the development of business at subsidiaries. They report their results monthly to the Executive Board. The Executive Board is directly involved in decisive decisions. For the control and monitoring, the subsidiaries are currently combined in six business units according to products and markets, and they are in turn allocated to the two segments Healthcare Software and Healthcare Services.

The internal monitoring and risk management system has the objective with respect to the accounting process to ensure the appropriateness and effectiveness of accounting and financial reporting Group-wide. On-going accounting of domestic subsidiaries is managed decentrally, while the customary year-end reports are mainly composed centrally. Foreign companies draw up local year-end reports, which are checked based on legal regulations or importance voluntarily. The Group year-end report as well as the required adaptations of individual domestic and foreign year-end reports to the International Financial Reporting Standards, as they are to be applied in the EU as mandatory, are done centrally in Villingen-Schwenningen. The process of composing the year-end report is monitored centrally by the head of Finances as well as by the Executive Board of NEXUS AG. The one-on-one principle is maintained on principle.

Purchasing is essential order-related and arranged after discussing and agreeing on this with the project manager responsible. Payments are approved by the Executive Board at NEXUS AG and by the respective managing director at the subsidiaries. The salary and wage settlement process is done mostly centrally in Villingen-Schwenningen for domestic companies and monitored by independent offices.

An Oracle database is used for recording performance of the development department. Steering is via quarterly planning. NEXUS Group uses ERP software (Enterprise Resource Planning), with which information is made available for workflow process and internal controls as well as for the purposes of reporting. In addition, there is regular communication between the finance departments of the decentral subsidiaries and the central Group finance department.

Controlling the internal monitoring and risk management system is the responsibility of auditing committee of the Supervisory Board.

The company has capitalized intangible assets to a substantial extent in the form of concessions / patents (KEUR 1,188), goodwill (KEUR 18,433), technology and customer base (KEUR 5,606) as well as development costs (KEUR 11,437).

On the balance sheet cut-off date, the value of the goodwill was checked based on the DCF (discounted cash flow) method. Based on the expectation for positive results in the future, there is no need for devaluation. If the assumptions do not become reality in the future, there could be a need for devaluation of the goodwill and also of the other intangible assets.

NEXUS AG and its subsidiaries have capitalized deferred taxes from losses carried forward to a considerable extent. If it is no longer to be expected that profits can be earned to use the losses carried forward, the valuation would have to be completely or partially reduced. If tax laws change concerning handling of losses change, it could become necessary to reduce the capitalized deferred taxes completely or partially. NEXUS has an important number of securities, which are subject to interest and price risks and are consequently watched very closely. Investment options are also considered in this respect. Rate and financial loss risks continue to exist for fixed interest securities due to the volatile markets, which are observed and valued.

The Group has substantial liquid funds in US dollars and Swiss francs, which are subject to exchange rate risks. Exchange rate risks are also created especially by sales made in Switzerland (Swiss francs) and in Arab regions (US dollars) and the resultant receivables, which are subject to exchange rate fluctuations until payment. Payments received in Swiss francs are offset to a great extent by payouts out in Swiss francs, so that the currency risk is reduced here overall. Derivative financial instruments are used for controlling the currency risk. A hedging relation did not exist on the balance sheet cut-off date.

Risks from fluctuations of payment flows do not exist due to the liquidity reserves and the increasingly smooth payment flows.

Consolidation in the industry of suppliers for hospital information systems in Germany, Switzerland and Austria also continued in 2011. Additional acquisitions were made by Compugroup AG, Coblenz. System C in England was acquired by Cerner (USA). Large market participants, e.g., Siemens and General Electric (USA), continue to pursue the strategy of growing in the industry of medical information systems. From our viewpoint, there are still four competitors on the European market in addition to NEXUS, which are considered to have long-term potential.

However, if other companies are able to establish their products as standards in spite of the segmented market, the strategy of NEXUS Group as a supplier to small- and medium-sized companies as well as with an international presence will not be successful. Due to progressing consolidation, the possibility of a takeover by a competitor also continues to exist.

The complete economic environment continues to present a risk. Especially the debt crisis resulted in cuts in many European public budgets, which also affect financing public budgets. Further budget cuts are to be expected for the healthcare system and especially for hospitals.

According to the latest Gartner forecast 2011, growth to 267 billion dollars was to be expected globally for sales with business software. That is more than 9.5 percent compared to previous year. According to the forecast, more than 288 billion dollars will be reached in 2012. Gartner even expects sales of 310 billion dollars by 2016. This corresponds to an average annual growth rate of six percent over the next five years. Even if the figures do not provide direct information about the willingness to invest of institutions in the healthcare sector, NEXUS Group assumes that the target group of somatic and psychiatric hospitals, medical care centers, rehabilitation, senior citizen and nursing homes will also continue to participate in the trend to increasing investments in business software. This provides considerable chances for NEXUS to achieve above-average growth. Our current technology and market position opens up the possibility for us to acquire new customers and improve our margin. Our customer base till now is an excellent reference for this. Our technology strategy and our separation between a hospital and a diagnostic system are receiving increasing attention on the market. As supplier of quality software, NEXUS has earned a very good reputation on the market and is considered a stable, growing company. Over the past three years, this applied especially to the German market, in which the NEXUS Group was able to win important orders with the new product NEXUS / HIS and consequently replace other established competitors.

Our goal remains to stay or become the market leader for defined customer groups and regions and to cover the range of applications of medical informatics as comprehensively as possible. Our Group planning shows that we consider additional improvements of results and continued sales growth as achievable. This includes investments in the internationalization of our products and the enhancement of our product range. These investments can also be supported by acquisition of shareholdings when deemed necessary.

An important factor for the further economic development of NEXUS AG and its subsidiaries is the capability to increase maintenance and service revenues further in addition to expanding the installed software base. As a prerequisite to this, expiring maintenance and service contracts have to be renewed in a sufficient scope. Revenue quality can improve further with increased share of maintenance contracts and revenues from partner transactions.

## 12. Outlook – Use our chances!

Our goal in 2011 was to enhance our position in existing business areas and penetrate new markets thanks to additional innovations. We have achieved these goals very clearly.

An important factor in this was that we also saw an increase in orders received with brisk business and increasing sales. NEXUS software remains in high demand in our core markets. Our position in the HIS market in Germany and Switzerland has become stronger, and we have expanded our position substantially further in the market segments of diagnostic systems and quality management system. We are considered a flexible and innovative partner of hospitals, and our long-term strategy on the market is being rewarded.

Our very convincing range of products is decisive for our success. With our product NEXUS / HIS, we are not only setting standards with respect to user friendliness, but we also have the most complete product with respect to its scope of functions available on the market in the meantime. We cover all hospital and administrative processes in hospitals completely and are also in a very good position in downstream processes of hospitals with our product series for diagnostic wards/departments (NEXUS / DIS). Today, we are able to implement the "digital hospital" from one source and also depict special processes using standard software components. An important aspect is that we have been able to implement this functional strength with the demand of "simplicity" for users, an important prerequisite for acceptance of systems in actual practice.

Against this background and given the positive overall situation of our company, we expect that we will have further increasing, positive Group results and additional increases in sales.

It will be of decisive importance that we can continue to take consistent advantage of opportunities offers and open up additional markets and market segments. Especially thanks to the establishment of additional sales partners, we want to open new markets and increase our project capacities. In addition, cultivation of relations with our numerous regular customers will always have an important place in our strategy. It is a matter of supporting already existing customers intensively and filling them with enthusiasm for the new products and enhancements of the NEXUS Group.

We continue to believe that we can hold our own well in the attractive market for medical software and that our products are excellently positioned. This is a very strong component in a market, in which there are only a few successful solutions and projects. For this reason, we are going to invest significantly in product development in 2012 and probably in the following years too. Our development strategy foresees that we put the areas of "New Generation" and "simplicity as design criterion" in the forefront.

We are also keeping the option of acquisition purchases open in 2012. We are looking actively for companies to acquire, especially to simplify entry into markets or to round out our technology. Our capital and cash reserves make investments in this area possible.

We are optimistic about the current year 2012, but we have to remain careful due to the economic uncertainties in many countries. The situation of government budgets is very tense in many countries, and it must be feared that there might also be further reductions of investments in healthcare systems. At the same time, it is important to observe the competitive situation attentively. The interest of large medical engineering companies in our market is unabated, and we have to distinguish ourselves from them with respect to quantity and development speed in the long term. Another external risk has to be seen in the development of exchange rates of the US dollar and the Swiss franc.

We have gained an excellent reputation nationally and internationally and a promising competitive position over the past years. Our outstanding technology position and our consequently strong customer base are the basis of our success. The strength of our solutions is recognized in general on the market, and we are considered as extremely innovative and international oriented. We are aware that our

current good position makes a number of new business opportunities possible in existing and new markets. We want to take advantage of these opportunities with firm resolution and advance the development of our business considerably. We are convinced that the demand for innovative solutions for improving the quality of medical care and cost savings will increase further among our regular customers. We also believe that we will be able to fill additional international customers with enthusiasm for our software. We are determined to continue our successful development of the past years with a flexible business policy and to establish us as the most significant European supplier for innovative software solutions in the healthcare sector. The NEXUS team is working intensively to achieve these goals and will be evaluated by their degree of achievement.

### 13. Subsequent Events

No events of special significance occurred between the time of the balance sheet cut-off date and drawing up of the financial report, which would require reporting.

NEXUS AG  
Villingen-Schwenningen, 14 March 2012

The Executive Board  
Dr. Ingo Behrendt  
Ralf Heilig  
Edgar Kuner

# Consolidated Balance Sheet

as of 31 December 2011

Assets	Appendix	12/31/2011	21/31/2010
		KEUR	KEUR
<b>Long-Term Assets</b>			
Goodwill	4	18,433	12,793
Other intangible assets	4	18,231	17,044
Fixed assets	5	1,762	1,129
Shares in companies valued at equity	6	90	98
Credited deferred taxes	8/25	3,033	2,232
Other financial assets	10	74	125
<b>Total of Long-Term Assets</b>		<b>41,623</b>	<b>33,421</b>
<b>Short-Term Assets</b>			
Inventories	7	135	151
Trade receivables and other receivables	9/35	14,364	11,870
Receivables from tax on profits		52	137
Other non-financial assets	11	903	683
Other financial assets	10	1,254	1,377
Short-termed financial assets	10	10,056	2,122
Cash and balance in bank		12,033	18,575
<b>Total of Short-Term Assets</b>		<b>38,797</b>	<b>34,915</b>
<b>Total Assets</b>		<b>80,420</b>	<b>68,336</b>

Liabilities and Equity	Appendix	12/31/2011	21/31/2010
		KEUR	KEUR
<b>Capital and Accruals</b>	<b>12</b>		
Subscribed capital		14,305	14,171
Capital reserves		19,553	18,778
Profit carried forward		19,155	15,816
Consolidated surplus		4,770	3,447
Other cumulated Group result		134	276
Own shares		-46	-26
<b>Equity Capital Attributable to Stockholders of the Parent Company</b>		<b>57,871</b>	<b>52,462</b>
Shares of non-controlling partners		284	334
<b>Total Equity</b>		<b>58,155</b>	<b>52,796</b>
<b>Long-Term Debts</b>			
Pension obligations	13	1,884	1,219
Debited deferred taxes	8/25	1,425	706
Other financial debts	15	1,707	256
<b>Total of Long-Term Debts</b>		<b>5,016</b>	<b>2,181</b>
<b>Short-Term Debts</b>			
Accruals	14	1,380	1,344
Financial liabilities	15	88	0
Trade accounts payable	15/35	3,444	2,536
Liabilities from tax on profit	15	172	114
Deferred revenue liability	15	2,188	19
Other non-financial debts	15	7,107	7,054
Other financial debts	15	2,870	2,292
<b>Total of Short-Term Debts</b>		<b>17,249</b>	<b>13,359</b>
<b>Total Assets</b>		<b>80,420</b>	<b>68,336</b>

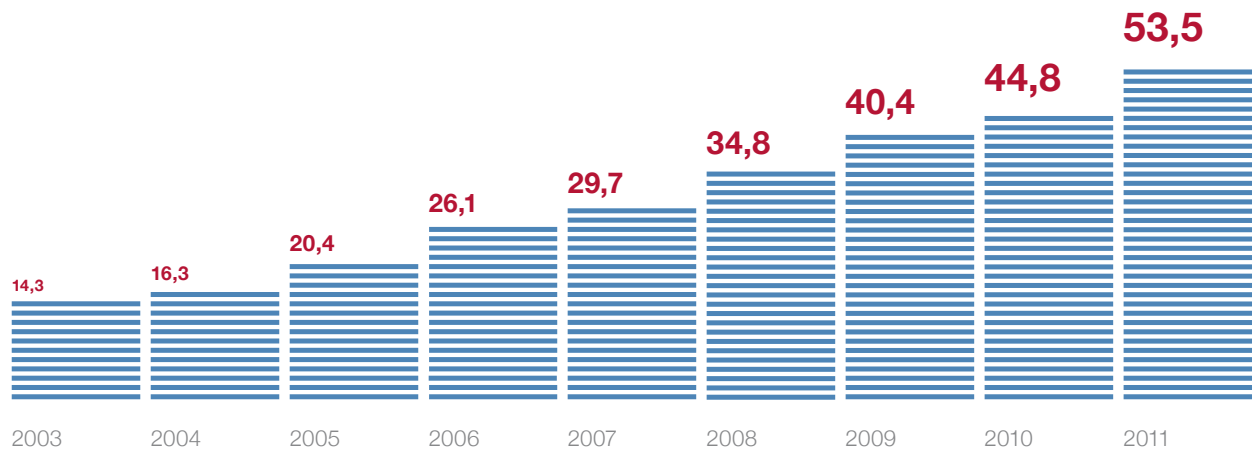
# Consolidated statement of income

from 1 January 2011 until 31 December 2011

	Appendix	31.12.2011	31.12.2010
		KEUR	KEUR
<b>Group statement of income and accumulated earnings</b>			
Revenue	17	53.534	44.823
Increase/decrease in finished goods and work in progress		0	-18
Development work capitalized		4.464	4.365
Other operating income	18	2.210	1.881
Cost of materials including purchased services	19	9.737	8.311
Personnel costs	20	30.126	23.924
Depreciation		6.408	5.719
Other operating expenses	21	9.718	9.367
<b>Operating Result</b>		<b>4.219</b>	<b>3.730</b>
Result from investments valuated at equity	22	135	0
Finance Income	23	403	210
Finance Expenses	24	121	632
<b>Result before tax on profit</b>		<b>4.636</b>	<b>3.308</b>
Taxes on profit	25	-59	-230
<b>Consolidated result</b>		<b>4.695</b>	<b>3.538</b>
consolidated result attributable to:			
- Stockholders of NEXUS AG		4.770	3.447
- Shares of non-controlling partners		-75	91
<b>Consolidated surplus per share</b>			
Weighted average of issued shares in circulation (in thousands)		14.208	13.921
- Simple	26	0,34	0,25
- Diluted	26	0,34	0,25



## Sales 2003 – 2011 in KEUR



## Group statement of income and accumulated earnings

from 1 January 2011 until 31 December 2011

	Appendix	2011 KEUR	2010 KEUR
<b>Consolidated result</b>		<b>4,695</b>	<b>3,538</b>
Actuarial profits and losses (after taxes on profit)	12.13	-485	-521
Differences from the conversion of foreign currency (after taxes on profit)	12	276	857
Market value changes from assets available for sale (after taxes on profit)	12	10	548
<b>Other over all result</b>		<b>-199</b>	<b>884</b>
<b>Over all result of the period</b>		<b>4,496</b>	<b>4,422</b>
Of the period result, attributed to:			
- Stockholders of NEXUS AG		4,628	4,331
- Shares of non-controlling partners		-132	91

“We prescribe drugs completely digitally with NEXUS software. It was a

**BIG**

step for the doctors and nurses, but it was worth it. Drug safety has thus been increased and treatment compliance promoted.

# Consolidated cash flow statement

from 1 January 2011 until 31 December 2011

	Appendix	2011	2010
		KEUR	KEUR
<b>1. Cash Flow from Current Business Transactions</b>	28		
Group annual result before tax on income		4.636	3.308
Depreciation and amortization of intangible assets and plant, equipment and other fixed assets	4,5	6.408	5.719
Other expenses/income with no impact on cash		-345	-262
Increase/decrease in inventories	7	123	106
Profit/loss from loss of assets		-6	14
Increase/decrease in trade receivables and other assets that cannot be allocated to investing or financing activities		-774	1.397
Increases and decreases of accruals insofar as not entered in other results	13	-284	359
Increase/decrease in trade receivables and other liabilities that cannot be allocated to investing or financing activities		866	2.949
Paid interest		-66	-53
Received interest		425	250
Income taxes paid		-85	-71
Income taxes received		97	213
		<b>10.995</b>	<b>13.929</b>
<b>2. Cash Flow from Investment Activities</b>	29		
Cash paid for investments in intangible and fixed assets	4,5	-5.943	-5.032
Cash received from disposal of fixed assets		35	0
Purchase of companies after deduction of acquired payment means	3	-3.742	44
Cash received disposal of securities	33	-8.000	0
		<b>-17.650</b>	<b>-4.988</b>
<b>3. Cash Flow from Financing Activities</b>	30		
Purchase of own share	12	-20	0
Disposition of own shares	12	4	0
		<b>-16</b>	<b>0</b>
<b>4. Amount of cash and cash equivalents at end of period</b>	31		
Cash relevant changes in cash and cash equivalents (sum of 1 + 2 + 3)		-6.671	8.941
Change in currency conversion adjustment		41	386
Cash and cash equivalents at beginning of fiscal year		18.575	9.248
		<b>11.945</b>	<b>18.575</b>
<b>5. Composition of cash and cash equivalents</b>			
Cash on hand		12.033	18.575
Bank liabilities due on demand		-88	0
		<b>11.945</b>	<b>18.575</b>

# Change in equity calculation

as of 31 December 2011

Change in equity calculation	Subscribed Capital	Capital Reserves	Others Revenue Reserves	Equity Capital Difference from Currency Conversion	Pension Provisions
<b>Appendix</b>					<b>13</b>
	<b>KEUR</b>	<b>KEUR</b>	<b>KEUR</b>	<b>KEUR</b>	<b>KEUR</b>
<b>Consolidated Equity as of 1 January 2010</b>	<b>13,805</b>	<b>39,523</b>	<b>59</b>	<b>-558</b>	<b>-109</b>
Transfer of consolidated surplus 2009 to consolidate loss carry-forward					
Actuarial profits and losses					-521
Differences from the conversion of foreign currency			857		
Market value changes from assets available for sale				548	
<b>Other Overall Result 2010</b>	<b>0</b>	<b>0</b>	<b>857</b>	<b>548</b>	<b>-521</b>
Consolidated surplus 2010					
<b>Overall Result of the Period</b>	<b>0</b>	<b>0</b>	<b>857</b>	<b>548</b>	<b>-521</b>
Increase in authorized capital					
Capital increase against fixed assets	280	784			
Transfer from capital reserve		-21,712			
Exercise of share options	86	180			
Stock-based payment		3			
<b>Consolidated Equity as of 31 December 2010</b>	<b>14,171</b>	<b>18,778</b>	<b>916</b>	<b>-10</b>	<b>-630</b>
Posting of consolidated surplus 2010 in the Group loss carried forward					
Actuarial profits and losses					-428
Differences from the conversion of foreign currency			276		
Market value changes from assets available for sale				10	
<b>Other Overall Result 2011</b>	<b>0</b>	<b>0</b>	<b>276</b>	<b>10</b>	<b>-428</b>
Consolidated surplus 2011					
<b>Overall Result of the Period</b>	<b>0</b>	<b>0</b>	<b>276</b>	<b>10</b>	<b>-428</b>
Capital increase against fixed assets	134	771			
Cash out of minority stakes					
Addition of minority stakes					
Purchase and sale of treasury stocks		4			
<b>consolidated equity as of 31 December 2011</b>	<b>14,305</b>	<b>19,553</b>	<b>1,192</b>	<b>0</b>	<b>-1,058</b>

Profit Carried Forward (Previous Year: Loss Carried Forward)	Lidated Surplus	Own Shares	Equity Capital Attributable to Stockholders of the Parent Company	Shares of Non-controlling Partners	Total Amount Equity	Approved Capital
					12	
<b>KEUR</b>	<b>KEUR</b>	<b>KEUR</b>	<b>KEUR</b>	<b>KEUR</b>	<b>KEUR</b>	<b>KEUR</b>
<b>-8,014</b>	<b>2,119</b>	<b>-26</b>	<b>46,799</b>	<b>243</b>	<b>47,042</b>	<b>6,860</b>
2,119	-2,119		0		0	
			-521		-521	
			857		857	
			548		548	
			<b>884</b>		<b>884</b>	
	3,447		3,447	91	3,538	
	<b>3,447</b>	<b>0</b>	<b>4,331</b>	<b>91</b>	<b>4,422</b>	
						42
			1,064		1,064	-280
21,712			0		0	
			266		266	
			3		3	
<b>15,816</b>	<b>3,447</b>	<b>-26</b>	<b>52,462</b>	<b>334</b>	<b>52,796</b>	<b>6,622</b>
3,447	-3,447		0		0	
			-428	-57	-485	-
			276		276	
			10		10	
			<b>-142</b>	<b>-57</b>	<b>-199</b>	
	4,770		4,770	-75	4,695	
	<b>4,770</b>	<b>0</b>	<b>4,628</b>	<b>-132</b>	<b>4,496</b>	
			905		905	-134
-104			-104	4	-100	
			0	78	78	
-4		-20	-20		-20	
<b>19,155</b>	<b>4,770</b>	<b>-46</b>	<b>57,871</b>	<b>284</b>	<b>58,155</b>	<b>6,488</b>

# Group Appendix for the Business Year 2011

## 1. General Information

Nexus Group (hereafter referred to as NEXUS) develops and sells software and hardware solutions with its business units "Healthcare Software" and "Healthcare Service" and provides IT services, especially for customers in the healthcare system. The Group focuses in the area of "Healthcare Software" on information systems for hospitals and psychiatric, rehabilitation and social institutions. The "Healthcare Service" unit provides IT services for IT operation, especially in the healthcare system. NEXUS AG is the highest ranking parent company.

Nexus AG is registered in the commercial registry of the Freiburg local court under number HRB 602434. NEXUS AG is a stock corporation listed on the securities market and in the Prime Standard segment. This Appendix was written for the Group Financial Report for the business year 2011 of NEXUS AG, Villingen-Schwenningen. The Group Financial Report, on which it is based, was drawn up by the Executive Board and approved for forwarding to the Supervisory Board on 13 March 2012.

The registered business address of the NEXUS AG is: Auf der Steig 6, 78052 Villingen-Schwenningen, Germany.

List of Subsidiaries Consolidated		31/12/2011	31/12/2010
	Country	Shares of Capital in %	
<b>Full Consolidation</b>			
NEXUS Digitale Dokumentationssysteme Projektentwicklungsges.m.b.H., Wien	Austria	100.00	100.00
nexus/coc GmbH, Villingen-Schwenningen	Germany	100.00	100.00
NEXUS . IT GmbH SÜDOST, Singen Hohentwiel	Germany	50.20	50.20
NEXUS . IT GmbH NORD, Villingen-Schwenningen <sup>1)</sup>	Germany	100.00	100.00
NEXUS Medizinsoftware und Systeme AG, Altishofen	Switzerland	99.98	99.98
NEXUS Italia S.r.l., Bologna	Italy	100.00	80.00
nexus/inovit GmbH, Ismaning	Germany	100.00	91.49
nexus/cis GmbH, Singen Hohentwiel	Germany	100.00	100.00
nexus/dis GmbH, Frankfurt am Main	Germany	100.00	100.00
NEXUS Schweiz GmbH, Schwerzenbach <sup>2)</sup>	Switzerland	100.00	10.00
nexus/qm GmbH, Ismaning <sup>1)</sup>	Germany	100.00	100.00
Flexreport AG, Baar <sup>4)</sup>	Switzerland	100.00	100.00
nexus/cso GmbH, Villingen-Schwenningen <sup>1)</sup>	Germany	100.00	100.00
VEGA Software GmbH, Aachen	Germany	60.00	30.00
Domis Consulting AG, Altishofen <sup>5)</sup>	Switzerland	100.00	0.00
Synergetics AG, Altishofen <sup>3)</sup>	Switzerland	60.00	0.00
NEXUS / OPTIM S.A.S, Grenoble	France	100.00	0.00
<b>Equity Consolidation</b>			
G.I.T.S. Gesundheitswesen IT-Service GmbH Fürstfeldbruck, Fürstfeldbruck	Germany	49.00	49.00
Medidata GmbH, Berlin	Germany	25.00	25.00
nexus/Arabia Ltd., Riyadh	Saudi Arabia	50.00	50.00
Palladium-med GmbH, Berlin	Germany	20.00	20.00

<sup>1)</sup> Use of the exemption rule with respect to disclosure pursuant to Section 264 para. 3 of the German Commercial Code (HGB) <sup>2)</sup> The shares are held indirectly via NEXUS Medizinsoftware und Systeme AG, Altishofen.

<sup>3)</sup> The shares are held indirectly via Domis Consulting AG, Altishofen. <sup>4)</sup> Share under company law is only 90%. There is a put-call option for the remaining 10%.

<sup>5)</sup> Share under company law is only 62%. There is a put-call option for the remaining 38%.

## 2. Accounting and Valuation Method

### 2.1 Principles for Creating the Annual Statement

This Group Financial Report has been prepared in keeping with the provisions of International Accounting Standards Board (IASB) required by the European Union following the balance sheet cut-off date in accordance with Section 315a para. 1 of the German Commercial Code (HGB) and the supplementary commercial law regulations. It is in keeping with the provisions of International Financial Reporting Standards (IFRS) applicable on the cut-off date, including the still applicable International Accounting Standard (IAS) and supplementary interpretations (IFRIC and SIC). All applicable IFRS and IFRIC were considered for the business year 2011. Standards and interpretations of IASB, which are not applicable yet, have not been adopted.

#### Report Currency

The Group Financial Statement is shown in euros. If not otherwise noted, all values are rounded to thousands (KEUR).

#### Consolidation Group

In addition to the NEXUS AG as parent company, all operatively active domestic and foreign subsidiaries are included in the Group Financial Statement, for which NEXUS AG has the majority of voting rights directly or indirectly. Three affiliated companies as well as a joint venture were included in the balance sheets according to the equity method.

#### Consolidation Principles

All companies included as of 31 December 2011 drew up their Annual Financial Reports as of 31 December. These are shown in uniformly prepared, consolidation-capable financial reports in line with the International Financial Reporting Standards (IFRS) as they must be adopted in the European Union. Group-internal business transactions are eliminated thereafter

The shares purchased in 2011 in Domis Consulting AG, Altishofen (CH), and Synergetics AG, Altishofen (CH), were consolidated starting in May 2011, those in OPTIM S.A.S., Grenoble (FR), starting in July 2011, and those in VEGA Software GmbH, Aachen, starting in October 2011 according to the purchase method in a Group. The Group Financial Statement report contains expenses and revenues starting from May, July and October 2011. NEXUS / ARABIA Ltd. Riyadh (Saudi Arabia), which was founded as a joint venture with a Saudi Arabian partner in 2008, did not conduct any active business transactions in 2011. The joint venture is carried in the balance sheet according to the equity method in the Group Financial Statement.

The purchase method is used for company purchases. Capital is consolidated at the time, at which ownership became effective. The shown equity capital of the acquired companies is offset against the book value of participation. The asset values as well as debts and possible debts are included with their current values. Within the context of an identification process, balance sheets did not previously include IFRS 3, but intangible assets were capitalized if it was possible to carry them in the balance sheet. In addition, possible debts should be considered. Remaining value of potential earnings in excess of the book value is capitalized as goodwill according to IFRS 3 and/or negative difference amounts are adopted affecting revenue after another check. Purchase price increases due in the future, which are probable, were already capitalized as conditional purchase price at the corresponding market value at the purchase time in goodwill and shown as trade accounts payable.

Trade accounts receivable and payable between the consolidated companies are offset within the context of debt consolidation. Internal sales have been eliminated within the context of expenditure and revenue consolidation. Elimination of interim results was not required due to its inessential nature.

The consolidated surplus is determined as a completely consolidated period result according to the total costs procedure, in which all revenues and expenses are consolidated between the included companies.

The operating result shares, which other companies are entitled to, are shown separately below the consolidated surplus according to their shares are shown as separate positions within equity capital.

Assets and debts of foreign subsidiaries, whose functional currency is not the euro, were converted according to the rules of IAS 21. The balance sheets of the Group Companies in Switzerland are accordingly converted with the cut-off date exchange rate of 1.2165 CHF / EUR (previous year: 1.2525 CHF / EUR), the Profit and Loss Account with the average exchange rate of 1.23273 CHF / EUR (previous year: 1.38047 CHF / EUR), and the equity capital at historic rates. Any conversion differences resulting from that are entered in the other result in equity capital without effect on net income. The same applies to conversion differences within the context of debt consolidation insofar as it is a question of chargeable receivables and loans, which are to be considered as net investment in a foreign business operation according to IAS 21.32. All other conversion differences, which occur during debt consolidation, are entered with effect on profit.

## 2.2 Changes of the Accounting and Valuation Method

The adopted accounting and valuation methods correspond in principle to the methods used in the previous year. However, the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) have decreed the adjustment of existing standards as well as a few new interpretations. All applicable International Accounting Standards (IAS) as well as IFRS and IFRIC were considered for the business year 2011.

### Standards with mandatory application for the first time starting from the business year 2011

#### Amendments to IAS 32 Financial Instruments: Classification of Rights Issues:

The changes published in October 2009 regulate preparation of the balance sheet when issuing subscription rights, options and option certificates of issuers, which are in a different currency than the functional currency of the issuer. In the past, such cases were carried in the balance sheet as derivative liabilities. Such subscription rights, which are issued at a fixed currency amount proportionately to the existing stockholders of a company, are to be classified as equity capital in the future. The currency, to which the exercise price refers, is thereby irrelevant. The changes are to be adopted for the first time for business years, which begin on or after 1 February 2010. No effects result for NEXUS in the reporting year due to this change of the standard.

#### IAS 24 Related Party Disclosures (rev 2009):

Reporting obligations of companies, in which the government has a share, were simplified in the revision published in November 2009. Certain relations to affiliated companies and persons, which result from the share of the government in private companies, were excluded from some of reporting obligations in the revised standard. The change is to be adopted for the first time for business years, which begin on or after 1 January 2011. No changes result in the Group Financial Statement of NEXUS due to the revision of the IAS 24.

#### IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments:

The interpretation published in November 2009 regulates accounting methods for a partial or complete repayment of financial liability via issue of equity capital instruments. The interpretation is to be adopted for business years, which begin on or after 1 July 2010. No changes result in the Group Financial Statement due to IFRIC 19.

#### Amendments to IFRIC 14 Prepayments of a Minimum Funding Requirement:

The change published in November 2009 is to be adopted in business years that start on or after 1 January 2011 and is relevant if a company is subject to minimum remuneration obligations in connection with its pension scheme and makes contributions to it to fulfill these obligations. The change of the interpretation makes it possible for companies to add the benefit from these advance payments as asset. The change of IFRIC 14 does not affect the Group Financial Statement of NEXUS.

#### Improvements to IFRS (2010):

Within the context of the Annual Improvements Process in May 2010, the third collective standard "Improvements to IFRS" published by IASB was adopted by the EU in February 2011. Small changes were made to six standards and one interpretation due to these small changes. Insofar as not regulated differently in individual cases, the changes are to be adopted for the first time for business years, which begin on or after 1 January 2011. No essential effects result from the adoption of the revised standards on the future Group Financial Statements of NEXUS.

#### Adoption of the following standards and interpretations was not yet obligatory in the reporting period, and they were not adopted in advance either:

Adopted by the EU on the cut-off date:

#### Amendments to IFRS 7 Financial Instruments: Disclosures-Transfers of Financial Assets:

In November 2011, the European Union adopted the changes to IFRS 7 published by IASB in October 2010. These changes provide users of financial reports improved insight into transactions for transferring financial assets. The changes are to be adopted for business years, which begin on or after 1 July 2011, whereby earlier application earlier is permitted. Comparative data in the first year of adoption are not required. The Group does not currently expect any decisive effects on depiction of future reports due to adoption of the standard.



Not yet adapted by the EU on the cut-off date:

#### **IFRS 9 Financial Instruments – Classification and Measurement:**

The publication of IFRS 9 in November 2009 represented the first phase of the three-part IASB project for complete revision of the accounting of financial instruments and consequently IAS 39. IFRS 9 changes the categorizing and valuating of financial assets and is based on how a company controls its financial instruments as well as the type of contractual payment flows from financial assets.

With publication of the rules for carrying financial assets in the balance sheet in October 2010 as supplement to IFRS 9, the phase of classification and valuating of the IASB project for replacing IAS 39 was completed. According to these rules, a company, which selected the fair value option for carrying its financial liabilities in the balance sheet, is to enter the part of the change at the corresponding market value, which results from the change of its own credit risk, performance-neutral under other revenue within equity capital and not with effect on the result. Initial adoption of IFRS 9 was officially postponed by IASB in December 2011. The standard is now to be adopted as mandatory for business years, which begin on or after 1 January 2015, whereby earlier application earlier is permitted. The Group cannot currently make a final judgment about which effects adoption of the standard and the supplement will have if this is adopted by the EU in this form.

However, it can already be seen that the carrying of financial assets available for sale in the balance sheet will be affected by the change, because IFRS 9 also permits entering profits and losses at the current market value in the other result in the Statement of Income and Accumulated Earnings and also for value decreases when these are from equity capital instruments that are not held for trade purposes. In the current reporting period, decreases in value in the amount of KEUR 87 (previous year: KEUR 611) were entered directly as affecting the result.

#### **Amendments to IAS 12 Deferred Tax on Investment Property:**

IASB published a change to IAS 12 in December 2010. This supplements IAS 12 by one exception for valuating deferred tax liabilities or claims from the current market value and carried on the balance sheet as real estate held as a financial investment. This concerns the refutable assumption that the current market value of real estate held as a financial investment can be realized completely by sale. Due to the supplement, the guidelines of SIC 21 are integrated in IAS 12 and SIC 21 is consequently withdrawn. The revised version is to be adopted for business years, which begin on or after 1 January 2012, whereby earlier, voluntary application earlier is permitted. We do not currently believe that the change of IAS 12 will have any essential effects on NEXUS if this is adopted by the EU in this form.

#### **IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements and IFRS 12 Disclosure of Interest in Other Entities:**

IFRS 10 replaces SIC 12 Consolidation – Special Purpose Entities and parts of IAS 27 Consolidated and Separate Financial Statements; it introduces a consolidation model to be used uniformly for identifying dominant influence, according to which a subsidiary must be included in the consolidation group of a parent company. The standard also provides information about determining dominant influence.

IFRS 11 Joint Arrangements targets stronger concentration on claims and obligations in joint ventures and is to enable a more real depiction of the balance sheet. The standard replaces SIC 13 Jointly Controlled Entities – Non-Monetary Contributions by Venturers as well IAS 31 Interests in Joint Ventures and consequently eliminates quota consolidation.

IFRS 12 combines all information obligations about shares in subsidiaries, joint ventures, affiliated companies and non-consolidated structured units. The new standard replaces the previous provisions in IAS 27 Consolidated and Separate Financial Statements, IAS 28 Investments in Associates, IAS 31 Interests in Joint Ventures and SIC 12 Consolidation – Special Purpose Entities.

The revised standard IAS 27 Separate Financial Statements (2011) still only contains provisions about the balance sheet and appendix information about subsidiaries, joint ventures and affiliated companies, which are relevant for individual financial statements drawn up according to IFRS.

The revised IAS 28 Investments in Associates and Joint Ventures (2011) regulates the balance sheet for shares in affiliated companies as well as the requirements for applying the equity method.

The new as well as the adapted standards are mandatory for business years starting from 1 January 2013. Earlier application is permitted. We cannot currently assess conclusively which effects the changes will have on the NEXUS Group Financial Statement, insofar as they are adopted by the EU in this form, with the exception of IFRS 11, because joint ventures are already included in the Group Financial Statement according to the equity method.

#### **IFRS 13 Fair Value Measurement:**

IFRS 13, which was also issued in May 2011, contains regulations about how the adjusted current value is valued if another standard prescribes the valuation at the adjusted current value. There will only still be a few rules for IAS 17 and IFRS 2. The fair value according to IFRS 13 is defined as exit price, i.e., as the price which would be achieved via sales of an asset or the price that would have to be paid to transfer a debt. As currently known from the fair value valuation of financial assets, a three-tier hierarchy system has been introduced, which is staggered according to the dependence of observable market prices. The new fair value valuation can result in values deviating from previous regulations. The change takes effect for business years, which begin on or after 1 January 2013. Earlier application is permitted. The Group cannot currently make a final judgment about which effects adoption of the standard will have if this is adopted by the EU in this form. However, it is assumed that adoption of the new standard will result in supplementary appendix information.

#### **IAS 19 Employee Benefits:**

The changes to IAS 19 issued in June 2011 mainly concern the elimination of deferred entry of actuarial profit and loss (corridor method) in favor of immediate entry in other results within equity capital. In addition, the currently expected revenue of plan assets is calculated based on the subjective expectations of management via the further development of the asset portfolio. With adoption of IAS 19 (revised 2011), only standardized interest on the plan assets in the amount of the current discount rate of the pension obligations is permitted.

The changes are to be applied for the first time for business years, which begin on or after 1 January 2013. Earlier application is permitted. We do not currently believe that the change of IAS 19 will have any essential effects on the future Group Financial Reports of NEXUS if this is adopted by the EU in this form with the exception of the supplementary appendix information.

#### **Amendments to IAS 1 Presentation of Items of Other Comprehensive Income:**

IASB published a change to IAS 1 in June 2011. The changes are to improve depiction of Other Comprehensive Incomes and result in making the depictions in IFRS and US-GAAP more similar. The positions of Other Comprehensive Incomes, which are reclassified later in the Profit and Loss Account ("recycling"), will be shown separately from the positions of Other Comprehensive Incomes, which are never reclassified. Insofar as the gross positions, i.e., shown without offsetting with effects from deferred taxes, the deferred taxes are not to be shown anymore in one sum, but instead to be allocated to both groups of positions. The standard is to be applied for the first time for business years, which begin on or after 1 January 2012. Earlier application is permitted. The Group does not currently believe that adoption of the changes will have any essential effects on depiction of the Group Financial Report if this is adopted by the EU in this form.

#### **Amendments to IAS 32 Financial Instruments: Offsetting Financial Assets and Financial Liabilities and IFRS 7 Financial Instruments: Disclosures: Offsetting Financial Assets and Financial Liabilities:**

In December 2011, changes to IAS 32 and IFRS 7 were adopted, with which the offsetting regulations for financial instruments was clarified and existing inconsistencies in the interpretation of existing provisions are to be eliminated. The changes of IFRS 7 also result in supplementary information obligations.

The clarification is to be applied retroactively for business years, which begin on or after 1 January 2014. However, the supplementary information required due to the change is already to be supplied retroactively for business years, which begin on or after 1 January 2013. It is not to be expected that the adoption of the revised standards will have essential effects on the Group Financial Statement of NEXUS if they are adopted by the EU in this form.

### **2.3 Essential discretionary decisions, assessments and assumptions**

The most important discretionary decisions with respect to the future as well as any other essential sources of estimate uncertainties on the cut-off date, based on which a substantial risk exists that a substantial adjustment of accounting value of asset values and liabilities will be required, are explained below.

### Depreciation of Goodwill

The Group checks at least once annually whether goodwill has depreciated. This requires estimation of the achievable amount of the cash-generating units, to which the goodwill is allocated. The attainable amount of an asset is the higher of the two amounts from the adjusted current value of a cash-generating unit minus sales costs and the utilization value. To estimate the utilization value, the Group must also estimate the future cash flow on one hand as well as an appropriate discount rate to determine the cash value of this cash flow. The accounting value of the goodwill was KEUR 18,433 on 31 December 2011 (previous year: KEUR 12,793). You can find further details about this in the Appendix under point 4.

### Identified Customer Base and Technology at Company Acquisitions

The adjusted current value of the acquired maintenance contracts (customer base) and acquired technology at the time of the company acquisitions was determined on the basis of estimated benefits, especially on the basis of future expected payment surpluses discounted by an appropriate interest rate and written off over the expected time of use based on an assumed annual loss of customers. As of 31 December 2011, the value of capitalized customer base and technologies was KEUR 5,606 (previous year: KEUR 5,336).

### Development Costs

Development costs are capitalized in line with the balance sheet and valuation method explained in Appendix position 2.4. The future course of benefits of the self-created developments is to be estimated for determining the depreciation type and period of capital expenditure for manufacturing costs. According to the best possible estimates, the accounting value of the capitalized development costs was KEUR 11,437 on 31 December 2011 (previous year: KEUR 11,027).

### Securities

Securities were classified as financial assets available for sale (AFS). Correspondingly, rate decreases and increases are entered under other revenue in equity capital until sale of the securities. Contrary to this, rate losses parked in equity capital until then are to be entered as expense even without sale if there are objective indications of a decrease in value. The assessment required here is subject to discretionary leeway. In the past business year, security losses of KEUR 87 (previous year: KEUR 611) were entered as expense due to continual decrease in value.

### Credited deferred taxes

Credited deferred taxes are entered for all losses carried forward for taxes in the amount, in which it is probable that the income to be taxed for this is available and will remain available for this, so that losses carried forward can actually be used. Competent authority discretion of company management is to be used for determining the amount of credited deferred taxes on the basis of the expected fulfillment time and the amount of the income to be taxed in the future as well as the future tax planning strategies. Corporate income tax losses carried forward exist in the amount of KEUR 39,253 (previous year: KEUR 46,476) domestically as well as business tax losses carried forward in the amount of KEUR 37,704 (previous year: KEUR 6). In foreign Group companies, the tax losses carried forward converted amount to KEUR 5,394 (previous year: KEUR 6,454). In the total volume, there are tax losses carried forward in the amount of KEUR 25,500 (previous year: KEUR 32,362), which are assessed as unusable. Of that, KEUR 20,909 (previous year: KEUR 28,291) can be carried forward without a time limit, while KEUR 4,591 (previous year: KEUR 4,071) expire for foreign Group companies from 2013. Additional details are provided in Appendix positions 8 and 25.

### Pensions and Other Claims Payments after Termination of Employment

The expenses from performance-oriented plans are calculated using actuarial principles. The actuarial assessment is made based on the assumptions with respect to the discount rate allowed on advance payment of taxes, future wage and salary increases, mortality and future pension increases. Corresponding to the long-term orientation of these plans, such estimates are subject to substantial uncertainties. The accruals for pensions and similar obligations amounted to KEUR 1,884 on 31 December 2011 (previous year: KEUR 1,219). You can find further details about this in the Appendix under item 13.

## 2.4 Summary of the Essential Accounting and Valuation Method

### Balance Sheet Format

Asset and debt positions in the balance sheet are classified according to their time to maturity. The Profit and Loss Account was drawn up according to the total cost type of short-term results accounting. Due to the increased scope of short-term liquid assets in securities and note loans, they are shown separately in the balance sheet position of "Short-Term Financial Assets" instead of in "Other Financial Assets" for improved depiction of the asset situation. The figures of the previous year have been adapted by corresponding reclassification of KEUR 2,122 securities from the position "Other Financial Assets" to the position "Short-Term Financial Assets".

### Financial Instruments

EA financial instrument is a contract, which at the same results in creation of financial asset for one company and creation of financial liability or an equity capital instrument for another company. The financial instruments shown in the balance sheet (financial assets and financial liabilities) in the sense of IAS 32 and IAS 39 cover specific financial assets, trade account receivables, participating shares, securities, liquid funds, short-term loans, trade account payables as well as certain other assets and liabilities based on contractual agreements. In line with IAS 39, financial assets and liabilities are classified in the following categories:

- a) Financial investments to be held until final maturity
- b) Financial assets evaluated as revenue at the adjusted value at the time
- c) Financial assets available for sale
- d) Loans and receivables extended by the NEXUS Group

At initial entry in the balance sheet, these financial assets or liabilities are shown with procurement costs, which correspond to the value at the time of the counter-performance with inclusion of the transport costs. Entry is on the trading day on principle. Subsequent assessment varies for the different categories of financial assets or liabilities and is described within the context of the accounting methods of the respective balance sheet positions. Profits and losses from changes of the current market value of financial assets available for disposal are entered under other revenue in equity capital. Long-term decreases in value are entered with effect on the result. KEUR 87 (previous year: KEUR 611) were entered in expenses for the past year.

Although the Group is active internationally, most of its business is in Europe and consequently it only has limited market risks due to changes of exchange rates. The Group uses derivative financial instruments in a limited scope for hedging against expected future cash flows from sales transactions.

Because no hedge accounting relation is designated for the hedge instruments, price gains and losses resulting from changes to the fair values of these currency derivatives are recorded immediately affecting the consolidated surplus. With respect to financial assets valued on carried forward procurement costs, it is first determined whether an objective indication exists for decrease in value of financial assets, which are significant in themselves, individual and for financial assets, which are not significant in themselves and exist individually or jointly. If the Group determines that only one single examined financial asset is significant or not, there is no objective indication of a decrease in value, it includes the asset in a group of financial assets with comparable default risk profiles and examines them together for decrease in value. Assets, which are examined individual for decrease in value and for which the value is adjusted or which is still entered, are not included in a joint assessment of decrease in value. If there are objective indications that a decrease in value has occurred, the amount of the decrease in value loss is the difference between the book value of the asset and the cash value of the expected future cash flows.

The book value of the asset is reduced using a value adjustment account and the decrease in value loss is entered affecting the result.

### Intangible Assets

Acquired intangible assets are evaluated in the first-time report about procurement costs. The procurement costs of intangible assets, which were acquired at a company merger, correspond to the adjusted current value at the acquisition time. Intangible assets are shown if it is probable that the future economic benefit allocated to the asset will go to the company and that manufacturing costs of the asset can be measured reliably. After first-time reporting, intangible assets are reported with their procurement or manufacturing costs minus every cumulated depreciation and all cumulated expenditures for impairment of value. Self-procured intangible assets are not capitalized with exception of capitalized development costs. Costs connected with that are recorded as affecting operational results in the period, in which they occur.

Whether intangible assets have a limited or unspecified utilization period must be determined first. Intangible assets with limited utilization period are written off via the economic utilization period and examined for possible reduction of value when there is reason to suspect that the intangible asset could have declined in value. The depreciation period and the depreciation method are checked for an intangible asset with a limited utilization period at least until the end of each business year. If the expected utilization period of the asset changed, a different depreciation period or a different depreciation method is selected. Such changes are treated as changes of an estimate. Write-offs on intangible assets with limited period of use are shown in the Profit and Loss Account under amortizations. For intangible assets with unspecified utilization period, tests are conducted for checking the remaining value for the individual assets or on the level of the cash-generating unit means at least once yearly. These intangible assets are not written off systematically. The utilization period of an intangible asset with unspecified utilization period is checked once annually to determine whether the estimate of an unspecified utilization period remains justified. If this is not the case, the estimate is changed from an unspecified utilization period to a limited utilization period on a tentative basis. Profits or losses from the writing off of intangible assets are determined from the net capital gain and the accounting value of the asset and are entered affecting operational results in the period, in which the item was written off. The intangible assets contain maintenance contracts/customer master, software, technologies, goodwill and development costs.

#### a) Maintenance Contracts, Customer Base

The Group acquired software maintenance contracts within the context of company acquisitions in the past years as well as in last year, which were capitalized as intangible assets according to current market value in line with IFRS 3 and which will be written off corresponding to their utilization period. An average period of use of 10 years was assumed for the customer bases. The write-off method corresponds to the expected consumption of the future economic benefit of the asset.

#### b) Software

Software is capitalized with its procurement costs and shown as an intangible asset insofar as these costs are not an integral component of associated hardware. Software will be written off linearly during a period of four to six years.

#### c) Technologies

Technology-related assets refer to process and development know-how, which NEXUS AG acquired within the context of company acquisitions in the past years as well as in last year and were valued at the adjusted fair value at time of purchase in line with IFRS 3. Technologies are available to the Group in the long term and will be written off linearly over a period of 10 years on principle.

#### d) Goodwill

The excess of procurement costs of a company at the adjusted current values over the sum of identifiable assets and debts at the purchase time is called goodwill and entered in the balance sheet as an asset. After first-time reporting, the goodwill is evaluated at the procurement costs minus the cumulated expenditures for depreciation. Goodwill is tested for depreciation at least once annually if circumstances or changes in conditions indicate that the accounting value could have declined. For the purpose of checking whether depreciation exists, the goodwill, which was acquired at company merger, must be allocated from the takeover day to each of the cash-generating unit or groups of cash-generating units, which should reap benefits from the synergies of the merger. This applies independent of whether other assets or debts of the Group have already been allocated to these units or groups of units. Each unit or group of units, which is allocated to goodwill, represents the lowest level within the Group on which goodwill is monitored for internal management purposes; it is not larger than a business segment as it is set according to IFRS 8 "Business segments". The depreciation is determined by the calculation of the amount, which the unit generating payments means (group of units generating payments means) can achieve. If the utilization amount of the cash-generating unit (group of cash-generating units) is less than the accounting value, expenditure for depreciation is entered. The value reduction is first allocated to the complete amount of goodwill. Any further value reduction is allocated proportionately to the book values of the other assets of the payment-generating unit. In cases, in which the goodwill represents a part of the cash-generating unit (group of cash-generating units) and part of this business area is sold, the goodwill attributed to the sold business area is included as a component of the accounting value of the business area in determining the result from the sale of the business area. Goodwill, which is sold in this way, is determined on the basis of the ratio of the sold business area to the part of the cash-generating unit not sold. Goodwill written off unbudgeted is no longer subject to appreciation.

#### e) Development Costs

Development costs are capitalized as intangible assets with their manufacturing costs insofar as the following prerequisites are fulfilled: The technical feasibility of completion of the intangible asset, so that use or sale is possible

- + The intention to complete the intangible asset
- + The ability to use or sell the intangible asset
- + The intangible asset will probably provide economic benefits
- + The availability of adequate technical, financial and other resources to complete the development and use or sell the asset
- + The ability to determine expenses reliably for the intangible asset during its development.

If these prerequisites do not exist, the development costs are entered affecting the result in the year they occurred. In the case of capitalizing, the manufacturing costs cover all cost directly attributable to the development process as well as appropriate parts of development-related overhead costs. Financing costs are not capitalized. Depreciation is written off linearly during a period of four to six years starting from completion. The write-off of the development costs are contained in the amortizations of intangible assets and fixed assets in the Profit and Loss Account. As long as the use readiness of a capitalized development does not exist yet or there are indications of depreciation, the capitalized amount of development costs is checked for depreciation once annually.

### Fixed Assets

Fixed assets are shown at the procurement or manufacturing costs minus cumulated, regular amortization and cumulated depreciation. The original procurement costs of fixed assets cover the purchase price as well as all directly attributable costs to use the asset in operations. The manufacturing costs of fixed assets cover expenses, which arise due to consumption of goods and use of services for the manufacturing. In addition to itemized costs, this includes an appropriate share of the required overhead costs. Borrowing costs are recorded in the period, in which they occur. Regular write-offs are made under consideration of normal operational life. Linear depreciation is used as depreciation method.

The estimated period of use is:

1. For renter installations: 5 to 10 years
2. For other equipment, factory and office equipment: 3 to 8 years

The accounting value of plants, equipment and other fixed assets is checked if there are indications that the accounting value of an asset exceeds its attainable amount. Plant, equipment or other fixed assets are either written off at retirement or if no economic benefit can be expected from further use or sale of the asset. Profits or losses from the writing off of the asset are determined between the net capital gain and the accounting value of the asset and are entered in the consolidated surplus with effects on the operational results in the period, in which the item was written off. The remaining value of the assets values, utilization periods and depreciation methods are checked at the end of each business year and adapted if necessary.

### Financial Assets

The shares in affiliated companies and in a joint venture are carried in the balance sheet according to IAS 28 for the affiliated companies and according to IAS 31.38 for the joint venture in line with the equity method. An affiliated company is a company, over which the Group has decisive influence and which is neither a subsidiary nor a joint venture. A joint venture is a company managed jointly by a partner company based on a contractual agreement. According to the equity method, the investments in a company are entered in the balance as procurement costs plus the changes of the share of the company in the net worth of the affiliated company following acquisition. The goodwill connected with a company is contained in the accounting value of the share and is not written off systematically. When the equity method is used, the Group determines whether consideration of additional expenditure for depreciation is required with respect to the net investment of the Group in the integrated company. The consolidated surplus contains the share of the Group in the success of companies included according to the equity method.

Changes entered directly in the equity capital of the integrated company are also entered by the Group in the amount of its share directly in equity capital and – if required – in the list about changes of equity capital. The balance sheet cut-off date of the affiliated companies and the joint venture corresponds to that of the Group. The balance sheet date and the accounting and estimation methods of the affiliated companies, the joint venture and the Group are similar business transactions without essential deviations from the viewpoint of the Group. The other financial assets were valued according to IAS 39 at their carried forward procurement costs.

### Deferred Taxes

Deferred taxes are determined using accounting-based liabilities method on all temporary differences existing between the reported value of an asset or a liability in the balance sheet and the taxable value on the balance sheet date. Deferred tax liabilities and assets are entered for all temporary differences to be taxed. The following exceptions apply to this:

- + A deferred tax liability from the first-time reporting of goodwill as well as
- + Deferred tax liabilities or deferred tax assets from the first-time reporting of an asset or liability for a business transaction, which is not a company merger and which does not influence either the result in the balance sheet before taxes or the result to be taxed, may not be shown.
- + Deferred tax liabilities from temporary differences to be taxed, which are related to participation in subsidiaries, branches, affiliated companies and shares in joint ventures, may not be shown if the temporal course of the reversal of temporary differences can be controlled and it is probable that the temporary differences will not be reversed in the foreseeable future.
- + Deferred claims under tax relationships are entered for all temporary differences liable for deductions, taxable losses carried forward not used yet, and tax credits not used yet in the measure, in which it is probable that the income to be taxed will be available against which the temporary differences liable for deductions, taxable losses carried forward not used yet, and tax credits can be used. This also applies to deferred tax claims from temporary differences liable for deductions, which are in connection with shares in subsidiaries, branches, affiliated companies and joint ventures.

The accounting value of the deferred tax claims is checked on each balance sheet date and reduced in the amount, in which it is no longer probable that a sufficiently large result to be taxed will be available against which the deferred tax claim can be used at least in part. Not shown deferred tax claims are checked on each balance sheet date and shown in the amount, in which it has become probable that a result to be taxed in the future will make it possible to use the deferred tax claim. Deferred tax claims and liabilities are measured using the tax rates, the validity of which is expected for the period in which the asset will be realized or a debt paid. When this is done, the tax rates (and tax regulations) are used as a basis, which are valid or announced for the balance sheet date. Deferred taxes, which refer to positions that are entered directly under other revenue, are also entered in equity capital there. Deferred tax claims and deferred tax liabilities are offset if the Group has a cause of action for offsetting actual tax refund claims against actual tax liabilities and these refer to revenue taxes of the same tax subject, which were levied by the same tax authority.

#### **Inventories**

Inventories include raw materials, consumables and supplies as well as finished and incomplete performances are evaluated with lower value from the procurement or manufacturing costs and the net sale value. In addition to itemized costs, the manufacturing costs contain an appropriate share of the required material and product overhead costs as well as product-related depreciation, which can be allocated directly to the performance process.

Costs of administration are considered insofar as then can be attributed to the performance process. Loan capital interest is not to be capitalized, because no qualified assets exist. Inventories, which cannot be sold, are written off completely. The net sale value is the estimated sale price, which can be expected in a normal business transaction, minus the estimated costs until completion and the estimated, and the estimated, required sale costs.

#### **Receivables and Other Assets**

The receivables and other assets, which normally have a maturity period of 30-90 days, are entered with the original invoice amount minus valuation adjustment for uncollectible receivables. Value adjustment is performed if a substantial and objective indication exists that the Group will not be able to collect the receivables. Receivables are written off if they cannot be collected.

#### **Securities**

Securities are classified as "financial assets available for sale". At initial entry in the balance sheet, these are shown with procurement costs, which correspond to the value at the time of the given counter-performance. Transaction costs are included in the initial assessment. After the initial inclusion, securities are assessed with their adjusted current value without deduction or with any transaction costs at their sale. The adjusted current value at the time is based on the publicly listed prices of a securities market. The non-realized profits or losses are entered under other revenue in equity capital in the list via the changes of the equity capital until the financial asset is sold, redeemed or otherwise disposed of, or until an impairment of the financial asset was determined, so that the previously entered under other revenue in equity capital, cumulated profit or loss is to be included in the consolidated surplus at this time.

#### **Liquid Funds**

Liquid funds are composed of cash balance and credit balances at banks.



### Depreciation of long-term non-financial assets

The Group evaluates on each balance sheet date whether indications exist that an asset could have depreciated. If such indications exist or if annual checking of an asset for depreciation is required, the Group estimates the attainable amount of the respective asset. The attainable amount of an asset is the higher of the two amounts from the adjusted current value of an asset or a cash-generating unit minus sales costs and the utilization value. The attainable amount should be determined for each individual asset unless an asset does not generate any injection of funds, which are mainly independent from other assets or other groups of assets. If the accounting value of an asset exceeds its attainable amount, the asset is considered depreciated and written off at its attainable amount. The estimated cash flows are discounted at their cash value (based on a discount rate allowed before payment of taxes) and are used for determining the utilization value, which reflects current market expectations with respect to the rate of interest effect and the specific risks of the asset.

A check is made on each reporting cut-off date with exception of the goodwill to determine whether indications exist that expenditure for depreciation, which was entered in previous reporting periods, no longer exists or could have decreased. If such an indication exists, the attainable amount is estimated. A previously entered expenditure for depreciation should be canceled if estimates have changed since the entry of the last expenditure for depreciation, which was used for determining the attainable amount. If this is the case, the accounting value of the asset should be increased to its attainable amount. This increased accounting value may not exceed the accounting value, which would result after consideration of write-offs if no expenditure for depreciation had been entered in previous years. Such a value adjustment is to be entered immediately in the consolidated surplus. After a value has been adjusted, the expenditure for depreciation should be adjusted in future reporting periods to split the corrected accounting value of the asset, minus any remaining accounting value, among its remaining utilization period.

### Stock-based payment

Appreciation rights were granted to the Executive Board in 2011, which can only be settled in cash (transactions with cash settlement). The costs incurred due to translations with cash settlement are initially valued with application of a binomial model at the adjusted current value of their granting (for details, cf. 12. Equity Capital and 36. Organs of the Group). The adjusted current value is split over the time until the day of the first exercise option affecting net income under entry of the corresponding debt. The debt is recalculated at each cut-off date and on the fulfillment day. Changes of the adjusted current value are entered in the expenditures for employee benefits.

### Pension Accruals

The Group has three pension plans in Germany. Performance is not financed via a fund. In addition, financial obligations from the pension scheme according to Swiss federal law exist in Switzerland for employee old-age, survivors' and disability benefits (BVG). Expenditures for the services granted within the context of the performance-oriented plans are determined separately for each plan using the potential pension cash value method (IAS 19).

Actuarial profits or losses are entered under other revenue in equity capital after consideration of deferred taxes without affecting the operational result.

The reference tables 2005 G of Heubeck-Richttafeln-GmbH are used as biometric calculation basis (death and disability probability of beneficiaries, probability of being married at time of death).

### Other Accruals

Accruals are created if a current obligation exists with respect to a third party from a past event, which will probably result in outflow of resources in the future and the amount of which can be estimated reliably. Valuation of accruals is according to IAS 37 with the best possible estimate of expenditures, which would be required for fulfilling the current obligations as of the balance sheet cut-off date. Accruals for outlays are not shown. If an essential interest effect results from the fulfillment time of the obligation, the accrual is carried in the balance sheet at cash value. An increase of accruals over time is entered under financial expenditures.

### Liabilities

Liabilities are shown in the Group balance sheet when NEXUS has a contractual obligation to transfer means of payment or other financial assets to another party.

The initial valuation of a liability is at the adjusted current value of the received counter-performance or at the value of the received means of payment minus any incurred transaction costs. Subsequent valuation of liabilities is at the carried forward procurement costs using the effective interest rate method. Derivative financial instruments are valued affecting the current-period result at the adjusted current market value. Financial liabilities are taken off the books when the contractual obligation has been paid, canceled or expired.

### Possible Liabilities

Eventualverbindlichkeiten werden im Konzernabschluss solange nicht passiviert, bis eine Inanspruchnahme wahrscheinlich ist. Sie werden im Konzernanhang angegeben, sofern eine Inanspruchnahme nicht unwahrscheinlich ist.

### Sales

The Group sells software licenses and services connected with that, which serve for implementation, maintenance and other services. The company normally grants its customers use of the software for unlimited time. The Group also sells hardware. Revenues are entered when it is probable that the economic benefits will flow to the Group and the amount of revenue can be determined reliably.

License sales are realized in the amount of the agreed-upon license fee according to IAS 18. Realization is performed at delivery if nothing else was agreed upon in the contract, because no essential modifications are required. Consulting services are invoiced monthly according to work performed. Maintenance services are invoiced in installments during the service period.

Sales revenues, which are in connection with contracts and for which a fixed price was agreed upon, are realized according to the percentage-of-completion method corresponding to their performance progress if the total amount of the revenues can be measured reliably, it is sufficiently probable that economic benefits will be reaped, and the incurred and still expected costs can be determined reliably until completion as well as the achieved degree of completion. To this end, the costs incurred until the balance sheet cut-off date (mainly staff costs) are set in relation to the expected costs according to the project calculation and consequently the degree of completion is estimated. An expected loss from the order is entered immediately as expenditure. Sales of consulting or other services are normally realized in multiple component contracts independent of the realization of software sales, because these services are not essential for the software functions. Revenues for consulting and other services are realized as soon as they are provided. Realization is normally on the basis of performed and measured hours and refundable expenses. The value of a maintenance element is measured according to contractually set rates. The software share is realized with the residual value.

### Expenditure Realization

Expenditures are recorded as affecting operational results in the period, in which the corresponding use of value was caused.

### Finance Income

Finance income is entered at the time it occurs.

### Finance Expenses

Payments for loans are entered as expenditures. There is no capitalization of interest rate on borrowings according to IAS 23, because no qualified assets exist.

### Foreign Currencies

Foreign currency transactions are entered in the report currency by converting the foreign currency at the exchange rate between the report currency and the foreign currency valid at the time of the business transaction. Conversion differences from processing monetary positions as well as from the cut-off date evaluation of exchange rates, which differ from those original entered during the period, are entered as expenses or revenue in the period, in which they occurred.

### Operating Leasing Relation

A leasing relation is classified as an operating leasing relation if all risks and chances associated with ownership remain with the lessor. Leasing payments within an operating leasing relation are entered linearly as expenses in the consolidated surplus during the period of the leasing relation.

### 3. Company Mergers

#### Purchase of Domis Consulting AG, Altishofen (Switzerland)

NEXUS AG expanded its product competence in the healthcare system with the purchase contract for 62% of the shares of Domis Consulting AG, Altishofen, Switzerland on 10 May 2011. The price was mainly paid in cash, but a part was paid with issue of 134,000 shares. A put-call option contract was concluded for the remaining 38%. Domis Consulting AG has a 60% share in Synergetics AG, Altishofen.

NEXUS AG has a call option for 38% of the shares of Domis Consulting AG (option 1) for the time between 1 February 2012 and 31 May 2014. The sellers have analog put-options during the same period. No premiums have been agreed upon for the options. The contractual parties will work to distribute the result capable of distribution of the business years 2011 to 2013 completely to the shareholders of Domis Consulting AG. At occurrence of certain events (until 31 December 2013), NEXUS AG has the right to purchase 18.5% of the shares of Domis Consulting AG (option 2) prematurely. The seller has an analog put-option correspondingly. The purchase price for the shares depends on the average consolidated EBITA of the business year 2011 to 2013. According to IAS 32.23, the obligation to buy shares of non-controlling partner is to be carried in the balance sheet as liability with the expected purchase price. Consequently, the maximum amount is basically unlimited. A range cannot be estimated reliably either. Correspondingly, no shares of non-controlling partners are shown. The purchase price is consequently calculated from purchase price paid in cash (KEUR 2,910), shares valued at the going price (KEUR 934) and the conditional purchase price together (KEUR 1,558).

Domis Consulting AG primarily develops software solutions for nursing and geriatric institutions and is considered the market leader in this segment in Switzerland. Entry into the market of long-term care is a logical step for NEXUS. On one hand, an increasing number of German hospitals are requiring integration of their affiliated senior citizen and rehabilitation institutions into NEXUS / HIS, and on the other hand medical and nursing software is being used increasingly in senior citizen and rehabilitation institutions to fulfill requirements of quality. Both objectives have been achieved with the acquisition of Domis and technological integration of the products.

The purchased assets and debts were included in the balance sheet with their adjusted, current value and are as shown as follows:

Financial assets / depts Domis Consulting AG und Synergetics AG, Altishofen (Switzerland)	Value to be attributed on date of acquisition		Book Value
	CHF	EUR	
Cash assets	327,616.99	260,406.16	
Intangible assets	1,660,891.00	1,320,158.18	
Fixed assets	98,408.35	78,219.82	
Prepaid taxes	57,668.00	45,837.37	
Certain other assets	1,278,782.66	1,016,439.60	
Receivables	1,299,475.10	1,032,886.97	
	<b>4,722,842.10</b>	<b>3,753,948.10</b>	
Prepaid taxes	190,880.00	151,720.85	
Pension accruals	292,803.00	232,734.28	
Other accruals	216,000.00	171,687.47	
Verbindlichkeiten gegenüber Kreditinstituten	159,987.76	127,166.17	
Liabilities	3,010,607.09	2,392,979.17	
	<b>3,870,277.85</b>	<b>3,076,287.94</b>	
Net asset by 05/11/2011	852,564.25	677,660.16	
Shares without controlling impact	-24,432.55	-19,420.20	
Cash balance	5,967,908.54	4,743,588.38	
<b>Total acquisition costs</b>	<b>6,796,040.24</b>	<b>5,401,828.34</b>	
<b>Acquisition costs are as follows:</b>			
Purchase price paid via cash	3,661,000.00	2,909,943.57	
Purchase price was paid via stock issue	1,175,040.24	933,980.00	
Conditional purchase price	1,960,000.00	1,557,904.78	
<b>Total acquisition costs</b>	<b>6,796,040.24</b>	<b>5,401,828.35</b>	
<b>Cash-influence of the aquisition as follows</b>			
Purchase price paid via cash	3,661,000.00	2,909,943.57	
Less purchase means of payment	276,699.12	133,239.99	
<b>Outflow of means of payment</b>	<b>3,384,300.88</b>	<b>2,776,703.58</b>	

The identified and evaluated assets and debts identified in setting the purchase prices are essentially composed of technology (KEUR 784), customer relations (KEUR 240), pension accruals (KEUR 233) and credited deferred taxes (KEUR 28) and debited deferred taxes (KEUR 124) at the purchase time. The receivables are shown with their gross value. The value was not adjusted, because complete intake of all outstanding receivables is expected. Goodwill results from the purchase price allocation in the amount of KEUR 4,744.

The purchase essentially serves for technology enhancement in the Group and for securing our market position in Switzerland. The new employees at the Altishofen site also contribute substantial expertise in this area and are a meaningful and welcome enhancement to our staff. These qualitative factors are also expressed in goodwill. For 2011, sales with third parties amounted to KEUR 4,877, and the contribution to the consolidated surplus was KEUR 177. The miscellaneous procurement costs in the amount of KEUR 42 are entered affecting the result.

#### Purchase of OPTIM S.A.S, Grenoble (France)

NEXUS signed a purchase contract for purchase of 100% of OPTIM S.A.S, Grenoble (France) on 8 July 2011 (renamed NEXUS / OPTIM S.A.S.). With approximately 26 employees, OPTIM primarily develops software solutions for the OP and sterilization management areas in hospitals. OPTIM is considered the market leader in this segment in France. The purchase price was paid in cash.

The purchased assets and debts were included in the balance sheet with their adjusted, current value and are as shown as follows:

<b>Financial assets / debts OPTIM S.A.S, Grenoble (F)</b>	<b>Book Value 8. Juli 2011</b>
	<b>EUR</b>
Cash assets	693,591.11
Intangible assets	539,706.53
Fixed assets	62,272.21
Certain other assets	96,059.83
Inventories	106,589.26
Receivables	568,717.84
	<b>2,066,936.78</b>
Prepaid taxes	158,195.00
Liabilities	788,209.08
	<b>946,404.08</b>
Net asset by 07/08/2011	1,120,532.70
Cash balance	454,467.30
<b>Total acquisition costs</b>	<b>1,575,000.00</b>
<b>Acquisition costs are as follows</b>	
Purchase price was paid cash	1,575,000.00
<b>Total acquisition costs</b>	<b>1,575,000.00</b>
<b>Acquisition costs are as follows:</b>	
Purchase price paid via cash	1,575,000.00
Purchased means of payment	693,591.11
<b>Outflow of means of payment</b>	<b>881,408.89</b>

The identified and evaluated assets and debts identified in setting the purchase prices are essentially composed of technology (KEUR 336), customer relations (KEUR 139) and deferred tax claims (KEUR 158) at the purchase time. The receivables are shown with their gross value. The value was not adjusted, because complete intake of all outstanding receivables is expected. Goodwill results from the purchase price allocation in the amount of KEUR 454.

The purchase essentially serves for technology enhancement in the Group. The approx. 20 employees at the Grenoble site also contribute substantial expertise in this area and are a meaningful and welcome enhancement to our staff. These qualitative factors are also expressed in goodwill. For 2011, sales with third parties amounted to KEUR 1,211, and the contribution to the consolidated surplus was KEUR 33. The miscellaneous procurement costs in the amount of KEUR 33 are entered affecting the result.

#### Purchase of VEGA Software GmbH, Aachen (Germany)

NEXUS AG purchased a 60% interest in VEGA Software GmbH, Aachen, on 7 October 2011. Previously, VEGA was considered at equity in the Group as 30% minority interest of NEXUS / CIS GmbH. These shares were sold to NEXUS AG.

VEGA is located in Aachen and provides software solutions for helping senior citizens, young people and disabled persons, for out-patient care and for all other social welfare institutions. The purchase price was paid in cash.

The purchased assets and debts were included in the balance sheet with their adjusted, current value and are as shown as follows:

Financial assets / debts Vega Software GmbH, Aachen	Value to be attributed on date of acquisition
	EUR
Cash assets	71,901.91
Intangible assets	133,090.60
Fixed assets	21,122.33
Deferred tax	4,405.54
Receivables	96,370.21
	<b>326,890.59</b>
Prepaid taxes	39,424.00
accruals	22,000.00
Financial liabilities to credit institutes	17,427.97
Liabilities	101,771.71
	<b>180,623.68</b>
Net asset by 10/07/2011	146,266.91
Shares without controlling impact	-58,506.76
Cash balance	192,239.85
<b>Total acquisition costs</b>	<b>280,000.00</b>
<b>acquisition costs are as follows:</b>	
Purchase price was paid via stock issue	140,000.00
Fair value of equity ratio of the company acquired	140,000.00
<b>Total acquisition costs</b>	<b>280,000.00</b>
<b>cash-influence of the aquisition as follows</b>	
Purchase price paid via cash	140,000.00
Less purchase means of payment	54,473.94
<b>Outflow of means of payment</b>	<b>85,526.06</b>

An amount of KEUR 133 result at reevaluation of the equity capital of the purchased company, which is shown in the Profit and Loss Account in the line of the result from participating shares valued at-equity.

The identified and evaluated assets and debts identified in setting the purchase prices are essentially composed of technology (KEUR 73), customer relations (KEUR 52) and deferred tax claims (KEUR 39) at the purchase time.

The receivables are shown at their gross value. The value was not adjusted, because complete intake of all outstanding receivables is expected. Goodwill results from the purchase price allocation in the amount of KEUR 192.

The purchase essentially serves for technology enhancement in the Group. The new employees at the Aachen site also contribute substantial expertise in this area and are a meaningful and welcome enhancement to our staff. These qualitative factors are also expressed in goodwill. For 2011, sales with third parties amounted to KEUR 163, and the contribution to the consolidated surplus was KEUR -11. The miscellaneous procurement costs in the amount of KEUR 7 are entered affecting the result.

If the merger had taken place at the beginning of the year, sales revenue would have amounted to KEUR 57,407 and the Group annual surplus KEUR 4,381.

In addition, NEXUS AG purchased the shares of non-controlling partners in NEXUS Italia S.r.l. for KEUR 20 as well as in NEXUS / INOVIT GmbH for KEUR 85.

#### 4. Intangible Assets

The intangible assets contain purchased concessions, industrial property rights and similar rights and assets as well as licenses from such rights and assets. In addition, the respective company acquisitions, the identified intangible assets (customer base, technologies and development costs) including the created goodwill were shown with the initial consolidation. The intangible assets are not subject to any restrictions with respect to their disposal possibilities. There were development costs for software not yet finished in the amount of KEUR 2,261 on the cut-off date (previous year: KEUR 1,189).

##### Goodwill

Within the context of the annual Impairment Test according to IAS 36 (Impairment of Assets), the goodwill is allocated respectively on 31 December for checking the value of the cash-generating units. According to IAS 36.6, a cash-generating unit is smallest identifiable group of assets, which generates liquidity inflows through continued use, which are largely independent from the inflow of funds from other assets. Due to the technological and market-oriented merging of Group companies and the related organizational bundling of activities in business units NEXUS / NCS (system for care of senior citizens and disabled persons), NEXUS / DIS (diagnostic systems), NEXUS / CIS (Clinical Information Systems and OPTIM – OP and sterilization management systems), NEXUS / CSO, NEXUS / QM, NEXUS / HOSPIS (CH) as well as NEXUS / HCS (Healthcare Services), these are considered as cash-generating units. The business units NEXUS / CSO and NEXUS / HCS do not contain any goodwill in the balance sheet. The achievable amount of the other five

cash-generating units is determined respectively on the basis of calculating utilization value on the balance sheet cut-off date. Accordingly, there were no depreciation requirements. These calculations were made based on cash flow forecasts, which in turn were derived from the budget for 2012 as well as its forward projection for the two following years. Consequently, the detailed planning period covers three years unchanged. The discount rate used for the cash flow forecasts is between 7.0% for NEXUS / NCS, 7.0% (previous year: 7.25%), for NEXUS / DIS, 8.0% (previous year: 8.25%) for NEXUS / CIS and NEXUS / QM as well as 9.0% (previous year: 9.25%) for NEXUS / HOSPIS depending on the risk analysis. In the detailed planning period, organic growth of approximately 15% for NEXUS / CIS and NEXUS / QM as well as approximately 5% for NEXUS / DIS, NEXUS / HOSPIS and NEXUS / NCS were assumed for impairment tests. For the extrapolation of the cash flows according to the detailed planning period, a growth rate of zero is assumed for simplicity's sake, which did not produce any impairment. The utilization value calculated in this way is based on forecasts, which include uncertainties in the estimations. Essential uncertainties are in the following positions:

- + Profit margin
- + Discount rate
- + Development of market shares and maintenance revenues
- + Growth rates in the detailed planning stage

##### Profit Margin

The profit margin was calculated based on an average value, which was formed partially on the basis of already concluded contracts under consideration of the margins from the previous years as well as a substantial expansion of license business. The profit margins were also adjusted by the expected increase in efficiency.

##### Discount Rate

The discount rate reflects the estimation of the Executive Board with respect to specific risks of the respective cash-generating unit. Future investment projects are evaluated via this interest rate.

##### Development of Market Shares and Maintenance Revenues

These assumptions are especially significant, because the estimation is reflected here about how the cash-generating units will develop with respect to competitors during the planning period. At the same time, it must be observed that it is not a question of clearly defined markets, but instead mainly with project transactions, which do not permit clear comparisons.

### Growth Rates in the Detailed Planning Stage

The growth rates in the detailed planning stage are based on published, industry-related market research. They are also influenced decisively by the individual estimates of future potential made by the cash-generating units. These assumptions are supported by concrete sales, development and marketing plans. The capitalized goodwill of the cash-generating unit NEXUS / CIS of KEUR 4,744 was created via acquisition of the shares of the NEXUS / CIS GmbH, Singen, as well as OPTIM S.A.S., Grenoble (France), the goodwill of the cash-generating unit NEXUS / HOPIS of KEUR 3,048 at acquisition of NEXUS Schweiz GmbH, Schwerzenbach, and the goodwill of NEXUS / DIS of KEUR 4,707 from the company mergers with NEXUS / GMT GmbH, Frankfurt a. M., NEXUS / Paschmann GmbH, Oberhausen, and Medos AG, Langenselbold. The goodwill of the cash-generating unit NEXUS / QM of KEUR 836 results from the purchase of NEXUS / HOLL GmbH, Ismaning. The goodwill of the cash-generating unit NEXUS / NCS of KEUR 5,098 was created at purchase of Domis Consulting AG and Synergetics AG, Altshofen (Switzerland), as well as VEGA Software GmbH, Aachen. The goodwill of the cash-generating unit NEXUS / HOSPIS was KEUR 2,473 capitalized at the initial consolidation time and has changed due to exchange rate fluctuations to KEUR 3,048. The goodwill of the cash-generating unit NEXUS / NCS was KEUR 4,936 at initial consolidation. Due to the exchange rate development of Swiss francs at the end of the year, the goodwill increased to KEUR 5,098.

### Customer Base/Technology

At the purchase of Domis Consulting AG, Altshofen, technology in the amount of KEUR 784 as well as customer relations of KEUR 240 were capitalized. At the purchase of NEXUS / OPTIM S.A.S., Grenoble, technology in the amount of KEUR 336 as well as customer relations of KEUR 139 were capitalized. At the purchase of VEGA Software GmbH, Aachen, technology in the amount of KEUR 73 as well as customer relations of KEUR 52 were capitalized. The write-off is linearly over five years and 10 years for the customer base or corresponding to for the expected consumption of the future economic benefit. At the purchase of Flexreport AG, Baar (CH) in the previous year, technology in the amount of KEUR 473 as well as customer relations of KEUR 54 were capitalized and written off linearly over 10 years or over the time corresponding to the expected use of the future benefits. At the purchase of Healthcare Division of EDS Information Business GmbH, Zurich, in 2009, technology in the amount of KEUR 784 as well as customer relations were capitalized in the amount of KEUR 248 and written off linearly over 10 years or over the time corresponding to the expected use of the future benefits. At the purchase of Medos AG, Langenselbold in 2008, technology in the amount of KEUR 1,247 was capitalized and written off linearly over six years as well as customer relations in the amount of KEUR 467 (customer base) and written off over 10 years corresponding to the expected use of the future benefits. In the business year 2007

within the context of the purchase price allocation of the acquisitions of NEXUS / Paschmann GmbH, Oberhausen, and NEXUS / HOLL GmbH, Munich, customer relations (customer base) of KEUR 165 (Paschmann) and KEUR 29 (Holl) were identified and will be written off over 10 years corresponding to the expected use of the future benefits. An additional KEUR 709 were received for intellectual property rights (technology) in 2007 in connection with the purchase of Paschmann. Within the context of the split of the purchased assets, a total of KEUR 309 was capitalized at cash value as customer relations (customer base) at the initial consolidation time in 2006 for NEXUS Schweiz GmbH, Schwerzenbach, which will be written off linearly over 10 years corresponding to the expected consumption and the future economic benefits, and KEUR 74 as intellectual property rights (technology), which will be written off linearly over 10 years. Within the context of the split of the purchased assets from NEXUS / GMT in 2005 in the business year 2005, a total of KEUR 535 was capitalized as customer relations (customer base), which will be written off linearly over 10 years, and KEUR 139 as intellectual property rights (technology), which will be written off over 5 years. Within the context of the split of the purchased assets from micom GmbH in 2005 in the business year 2004, a total of KEUR 400 was capitalized as customer relations (customer base), which will be written off linearly over 7 years, and KEUR 1,875 as intellectual property rights (technology), which will be written off over 15 years. Finally, intellectual property rights were purchased in Switzerland for a total of KEUR 939 in 2007 and 2008. Other procurement cost increases are due to exchange rate differences.

### Development Costs

Development costs are in the valuation insofar as they fulfill the criteria lists in the accounting and valuation principles. They are capitalized in the business year, in which they occur if they are not for basic research or order-related. Development costs were capitalized in the amount of KEUR 4,475 (previous year: KEUR 4,365) in 2011. The development costs will be written off according to schedule over a utilization period of five years. The utilization period of the development costs capitalized before 2010 is for a time period of four years. KEUR 4,158 (previous year: KEUR 3,965) was written off in the reporting year. In addition, approx. KEUR 7,343 (previous year: KEUR 8,253) development costs, which cannot be capitalized, are entered directly in expenditures.

### Concessions / Licenses

Especially third-party software is shown, which is used for our own purposes.



Intangible Assets	Concessions/ patents	Goodwill	Development costs	customer base/ technology	Total
	KEUR	KEUR	KEUR	KEUR	KEUR
<b>Gross value as of 31 Dec. 2010</b>	<b>5,196</b>	<b>12,970</b>	<b>23,194</b>	<b>9,078</b>	<b>50,438</b>
Additions due to change of the Group composition	306	5,390	64	1,623	7,383
Currency fluctuations	42	250	44	143	479
Additions	368	0	4,475	0	4,843
Disposals	0	0	1,886	0	1,886
<b>Gross value as of 31 Dec. 2011</b>	<b>5,912</b>	<b>18,610</b>	<b>25,891</b>	<b>10,844</b>	<b>61,257</b>
Cumulated write-offs as of 31 Dec. 2010	4,515	177	12,167	3,742	20,601
Currency fluctuations	26	0	15	35	76
Additions	183	0	4,158	1,461	5,802
Disposals	0	0	1,886	0	1,886
<b>Cumulated write-offs as of 31 Dec. 2011</b>	<b>4,724</b>	<b>177</b>	<b>14,454</b>	<b>5,238</b>	<b>24,593</b>
Net value on 31 Dec. 2010	681	12,793	11,027	5,336	29,837
<b>Net value on 31 Dec. 2011</b>	<b>1,188</b>	<b>18,433</b>	<b>11,437</b>	<b>5,606</b>	<b>36,664</b>
	KEUR	KEUR	KEUR	KEUR	KEUR
<b>Gross value as of 31 Dec. 2009</b>	<b>5,192</b>	<b>11,819</b>	<b>19,418</b>	<b>8,066</b>	<b>44,495</b>
Additions due to change of the Group composition	0	750	0	527	1,277
Currency fluctuations	181	401	199	485	1,266
Additions	87	0	4,365	0	4,452
Disposals	264	0	788	0	1,052
<b>Gross value as of 31 Dec. 2010</b>	<b>5,196</b>	<b>12,970</b>	<b>23,194</b>	<b>9,078</b>	<b>50,438</b>
Gross value as of 31 Dec. 2009	4,511	177	8,944	2,592	16,224
Currency fluctuations	131	0	46	78	255
Additions	137	0	3,965	1,072	5,174
Disposals	264	0	788	0	1,052
<b>Cumulated write-offs as of 31 Dec. 2010</b>	<b>4,515</b>	<b>177</b>	<b>12,167</b>	<b>3,742</b>	<b>20,601</b>
Net value on 31 Dec. 2009	681	11,642	10,474	5,474	28,271
<b>Net value on 31 Dec. 2010</b>	<b>681</b>	<b>12,793</b>	<b>11,027</b>	<b>5,336</b>	<b>29,837</b>

## 5. Property, Plant and Equipment

Fixed assets are mainly composed of plant and business facilities and are valued as carried forward procurement costs. The customary utilization period is between three and ten years. Write-offs were only made according to the linear method in the past business years as in the previous year. See table to the side. The tangible assets are not subject to any restrictions with respective disposal possibilities. There are no facilities currently being constructed.

## 6. Financial Assets

As of 31 December 2011, NEXUS AG holds directly or indirectly participating interest in G.I.T.S Gesundheitswesen IT-Service GmbH, Fürstfeldbruck, Medidata GmbH, Berlin, Palladium-med GmbH, Berlin and the joint venture NEXUS Arabia Ltd., Riyadh. NEXUS Arabia Ltd. is only starting operative business in 2012. NEXUS AG purchased the indirectly held shares in VEGA Software GmbH, Aachen, on 7 October 2011. Due to the additional purchase of another 30%, the shareholders were increased to 60%, so that VEGA Software GmbH is completely consolidated starting from 1 October 2011. The following tables contain summarized financial information about the three (previous year: four) affiliated companies of the Group and the joint venture, which are all consolidated at-equity.

The following spreadsheets contain the summarized financial information of the three (previous year: four) associated companies of the whole group as well as joint enterprises which are all valued at equity.

	Associated companies		Joint ventures	
	2011	2010	2011	2010
	KEUR	KEUR	KEUR	KEUR
<b>Share of participations in the balance sheet</b>				
Short-term assets	37	72	48	48
Long-term assets	8	13	0	0
Short-term debts	-3	-3	0	0
Long-term debts	0	-32	0	0
<b>Prorated net assets</b>	<b>42</b>	<b>50</b>	<b>48</b>	<b>48</b>
<b>Shares in revenue and profit of participations</b>				
Revenue	98	315	0	0
Profit	2	0	0	0
<b>Accounting value of participation</b>	<b>42</b>	<b>50</b>	<b>48</b>	<b>48</b>

Fixed assets	Tenant fixtures	Other assets fixtures and furnishings	Total
	KEUR	KEUR	KEUR
<b>Gross value as of 12/31/2010</b>	<b>408</b>	<b>5,342</b>	<b>5,750</b>
Additions due to change of the Group composition	84	77	161
Currency fluctuations	2	38	40
Additions	176	925	1,101
Disposals	0	348	348
<b>Gross value as of 12/31/2011</b>	<b>670</b>	<b>6,034</b>	<b>6,704</b>
Cumulated write-offs as of 31 Dec. 2010	358	4,263	4,621
Currency fluctuations	0	34	34
Additions	117	489	606
Disposals	0	319	319
<b>Cumulated write-offs as of 31 Dec. 2011</b>	<b>475</b>	<b>4,467</b>	<b>4,942</b>
Net value on 31 Dec. 2010	50	1,079	1,129
<b>Net value on 31 Dec. 2011</b>	<b>195</b>	<b>1,567</b>	<b>1,762</b>
	KEUR	KEUR	KEUR
<b>Gross value as of 12/31/2009</b>	<b>401</b>	<b>6,289</b>	<b>6,690</b>
Additions due to change of the Group composition	3	21	24
Currency fluctuations	4	-202	-198
Additions	0	580	580
Disposals	0	1,346	1,346
<b>Gross value as of 31 Dec. 2010</b>	<b>408</b>	<b>5,342</b>	<b>5,750</b>
Cumulated write-offs as of 31 Dec. 2009	345	5,266	5,611
Currency fluctuations	5	-208	-203
Additions	8	537	545
Disposals	0	1,332	1,332
<b>Cumulated write-offs as of 31 Dec. 2010</b>	<b>358</b>	<b>4,263</b>	<b>4,621</b>
Net value on 31 Dec. 2009	56	1,023	1,079
<b>Net value on 31 Dec. 2010</b>	<b>50</b>	<b>1,079</b>	<b>1,129</b>

## 7. Inventory

The inventories are as follows:

No decline in economic usefulness (previous year: KEUR 0) or increased valuation (previous year: KEUR 0) was entered in the reporting year. There are no inventories in the current business year, which were carried in the balance sheet at the net disposal price. Inventories in the amount of KEUR 6,888 (previous year: 6,269 KEUR ) are entered as expenditures in the business year.

	2011	2010
	KEUR	KEUR
Raw materials, consumables and supplies	5	15
Goods	130	136
	<b>135</b>	<b>151</b>

## 8. Deferred Taxes

Credited and debited deferred taxes were offset in accordance with IAS 12. Credited and debited deferred taxes are classified according to their cause as follows:

	Consolidated balance Sheet		Consolidated profit and loss account	
	12/31/2011	12/31/2010	2011	2010
	KEUR	KEUR	KEUR	KEUR
<b>Deferred tax asset</b>				
Tax carry forward	5.271	5.721	-450	-209
Inventory valuation differences	0	0	0	-3
Different valuation accruals	0	-1	1	-1
Different valuations in pensions	252	165	11	-8
Valuation differences of securities	0	179	-174	173
	<b>5,523</b>	<b>6,064</b>	<b>-612</b>	<b>-48</b>
Consumption of deferred tax liability	-2,490	-3.832	612	48
<b>Total Deferred Tax assets</b>	<b>3,033</b>	<b>2,232</b>	<b>0</b>	<b>0</b>
<b>Deferred tax payable</b>				
Development costs	2,657	2,431	-226	84
Lump sum value adjustment	35	47	12	-10
Valuation differences of balance at banks	0	0	0	14
Technology / Know How	1,040	1,141	404	155
Project contracts	39	119	80	18
Accruals	48	0	-48	0
Elimination of individual value adjustments in connection with debt consolidation	0	683	683	81
Other currency effects	96	117	3	41
	<b>3,915</b>	<b>4,538</b>	<b>908</b>	<b>383</b>
Consumption of deferred tax demand	-2,490	-3,832	-612	-48
<b>Total Deferred Tax liabilities</b>	<b>1,425</b>	<b>706</b>	<b>296</b>	<b>335</b>

The change of the deferred taxes is as follows:

	<b>12/31/2011</b>	<b>12/31/2010</b>
	<b>KEUR</b>	<b>KEUR</b>
Change in deferred taxes affecting profits	296	335
Adjustment of deferred taxes on valuation reserve through financial instruments, neutral in its effects of profits	-5	-218
Performance-neutral adjustment of deferred taxes within the framework of provisions for pensions	76	127
Result neutral adjustment of deferred taxes from foreign currency translation	18	-124
Funding of deferred taxes without effect on the result on the liabilities side for mergers	-303	-62
<b>Change in deferred taxes affecting profits</b>	<b>82</b>	<b>58</b>

As of 31 December 2011, no debited deferred taxes were entered on profits not paid from subsidiaries or affiliated companies, because the Group determined that the profits, which have not been distributed yet, will not be distributed in the foreseeable future. In addition, the amount of taxes resulting for the Group is insubstantial in the case of distribution to the parent company due to the German tax system.

## 9. Trade Account Receivables and Other Receivables

Trade account receivables and other receivables are composed of the following:

	12/31/2011		12/31/2010	
	Short-Termed (< 1 Year)	Long-Termed (> 1 Year)	Short-Termed (< 1 Year)	Long-Termed (> 1 Year)
	KEUR	KEUR	KEUR	KEUR
Trade accounts payable	14,168	0	11,044	0
Receivables from companies valued at-equity	11	0	1	0
Gross amount due to customer s for projec t s as an asset	185	0	825	0
<b>Total</b>	<b>14,364</b>	<b>0</b>	<b>11,870</b>	<b>0</b>

Refer to the table below for individual value corrections on trade accounts receivable and their development. Project orders with positive balance with customers in the amount of KEUR 185

(previous year: KEUR 825) will be invoiced and also be due within one year in all probability.

Trade accounts payable	Book value	Debased	Delinquent but not debased					corrected single value at depreciated cost
			< 30 Days	30 – 120 Days	120 – 180 Days	180 – 360 Days	> 360 Days	
			KEUR	KEUR	KEUR	KEUR	KEUR	
12/31/2011	14,168	7,071	2,068	2,380	436	1,095	870	248
12/31/2010	11,044	5,118	1,794	1,062	571	1,592	907	0

On the claims past due without value reduction, no value adjustment was made, because no essential change of the credit rating of the debtor could be determined and consequently payment of the outstanding amounts is assumed. The Group does not have any collateral for these outstanding items. Trade account receivables and other receivables are all due within one year.

Trade account receivables in the amount of KEUR 1,520 (previous year: KEUR 570) were charged off in the business year 2011. There were no received payments (previous year: none) for charged-off receivables. The current market value of trade account receivables

and other receivables does not differ from the book value. There were trade account receivables diminished in value in the amount of KEUR 1,646 on 31 December 2011 (previous year: KEUR 1,931). The development of the value adjustment account is as follows:

Changes of value adjustments in trade accounts payable	2011	2010
	KEUR	KEUR
Status 01/01	1,931	1,067
Allowed expenses allocation	1,060	1,519
Consumption	-1,299	-570
Dissolution	-294	-85
<b>Status 31. December</b>	<b>1,398</b>	<b>1,931</b>

## 10. Other Financial Assets and Short-Term Financial Assets

The other financial assets and short-term financial assets are composed of the following:

	12/31/2011		12/31/2010	
	Short-Termed (< 1 Year)	Long-Termed (> 1 Year)	Short-Termed (< 1 Year)	Long-Termed (> 1 Year)
	KEUR	KEUR	KEUR	KEUR
<b>Other Assets</b>				
From interest	31	0	39	0
From loans to employees and third parties	839	34	893	0
From loans and other receivables to executive bodies	50	0	267	52
From others	334	40	178	73
<b>Total of Other Financial Assets</b>	<b>1,254</b>	<b>74</b>	<b>1,377</b>	<b>125</b>
<b>short-term financial assets</b>				
Securities	2,056	0	2,122	0
Open-market credits	8,000	0	0	0
<b>Total of Other Financial Assets</b>	<b>10,056</b>	<b>0</b>	<b>2,122</b>	<b>0</b>

### Other financial assets

The current market value of other financial assets does not differ from the book value.

In the other financial assets, available financial assets available for sale are contained in the amount of KEUR 0 (previous year: KEUR 33). Procurement costs were KEUR 0 (previous year: KEUR 49), and the list price is KEUR 0 (previous year: 33) on the balance sheet cut-off date.

There were no impairments of value to enter in the consolidated surplus in reporting year or the previous year.

In the previous years, a valuation reserve for financial instruments was established in equity capital, which shows the profits and losses from the sale of available, classified financial assets of classified securities, and minus the deferred taxes applicable to them.

### Short-Term Financial Assets

The short-term financial assets are as follows on the balance sheet cut-off date:

	12/31/2011	
	Purchase costs	Market value
	KEUR	KEUR
<b>Securities</b>	<b>2,733</b>	<b>2,056</b>
Pension funds	2,733	2,056
<b>Open-market credits</b>	<b>8,000</b>	<b>8,000</b>
<b>Total</b>	<b>10,733</b>	<b>10,056</b>

	12/31/2010	
	Purchase costs	Market Value
	KEUR	KEUR
<b>Securities</b>	<b>2,733</b>	<b>2,122</b>
Pension funds	2,733	2,122
<b>Open-market credits</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>2,733</b>	<b>2,122</b>

In the reporting period, decline in economic usefulness in the amount of KEUR 87 (previous year: KEUR 611) as well revenues of KEUR 21 (previous year: 0) were entered in the consolidated surplus.

The note loans in the amount of EUR 6.0 million have a term to maturity of 42 months and in the amount EUR 2.0 million of 16 months. There is also a six-month period notice of termination.

### Derivative Financial Instruments

NEXUS only uses derivative financial instruments for security purposes to safeguard against foreign currency risks resulting from business operations. According to IAS 39, all derivative financial instruments are to be carried in the balance at their market value on the cut-off date, independent of their purpose or the intention, with which they are held. On principle, the company does not designate any derivative financial instruments to protect against loss. Consequently, all changes of the market value of future exchange transactions and currency option transactions are shown in the period of change in other operating income or in other operating expenses. As of 31 December 2011, there was a future exchange transaction with respect to sale of nominal million CHF 2.0, which was valued based on the current market price and the exercise rate.

### 11. Other Non-Financial Assets

The other non-financial assets are composed of the following:

	2011	2010
	KEUR	KEUR
VAT	111	89
Down payments made	83	26
Wage and salary advances	53	72
Accounts receivable most for social security	243	161
Extra payment to development	94	0
Capitalized deferred income	319	335
<b>Total of non-financial assets</b>	<b>903</b>	<b>683</b>

The current market value of other non-financial assets does not differ from the book value.

The other non-financial assets are carried in the balance sheet in the amount of KEUR 94 (previous year: KEUR 0) as contributions to development costs. Of this, KEUR 47 (previous year: KEUR 0) was entered with effect on profit. Another KEUR 47 (previous year: KEUR 0) are deferred and allocated linearly during the utilization period during the contributed, capitalized development costs of five years.



Unfulfilled conditions and other success uncertainties do not exist in combination with the public subsidies entered in connection with the financial report.

## 12. Equity

Equity amounted to KEUR 58,155 on the cut-off date (previous year: KEUR 52,796). Refer to the statement of changes in the shareholders' equity as well as to number 3. Company Mergers.

### a) Subscribed Capital

Subscribed capital has been divided since 2 September 2011 into 14,305,150 bearer, no-par stocks with a book value share of equity capital of EUR 1.00 each. It has been paid in the amount of 14,299,750.00. Capital in the amount of 5,400.00 has been demanded, but not paid in yet. The subscribed capital increased by EUR 134,000.00 (corresponds to the 134,000 shares) to the detriment of authorized capital due to a capital increase for capital subscribed in kind in 2010. Different stock classes do not exist. All stocks are common stocks and grant the same rights provided for by the stock law.

### b) Own Shares

In the general stockholders meeting of 19 June 2006, the company was empowered until 30 November 2007 to purchase its own stocks up to an amount of a total of 10% of the equity capital, i.e., up to 1,380,520 individual share certificates with a book value of EUR 1.00 each. The company exercised this right in 2007 and purchased 8,420 share certificates with procurement costs of a total of KEUR 26, of which 2,100 share certificates were sold again in the reporting year. A total of share certificates were purchased as of the balance sheet cut-off date via a stock buy-back program newly started in December 2011. The own shares were deducted with the total procurement costs in one sum from equity (cost method). The company may not use this empowerment to purchase its own stocks for the purpose of trading with its own stocks. The company can use this empowerment completely or in partial amounts once or several times, but this can also be done for the account by third parties.

### Authorized Capital

In the annual general meeting of 14 June 2010, the empowerment granted in the annual general meeting of 27 June 2005 to increase the capital stock in the amount of EUR 6,860,000.00 was revised. The Executive Board was empowered to increase the capital stock of the company in the period until 31 May 2015 one time or several

times up to a total of EUR 6,902,600.00 via issue of new no-par bearer stocks (individual share certificates) against cash and/or capital subscribed in kind. The Executive Board shall decide about the conditions of the stock issue subject to approval by the Supervisory Board. The Executive Board is also empowered – subject to approval by the Supervisory Board – to decide about the exclusion of stock rights of stockholders in the following cases:

- a) For residual amounts
- b) For issue to employees of the company or an affiliated company
- c) For a capital increase against capital subscribed in kind for purchase of companies, company parts or shares in companies
- d) At capital increase against cash investment if the issue amount of the new shares does not fall substantially short of the already the listed price of shares already listed on the securities markets of the same class and same investment at the time of final determination of the issue amount by the Executive Board in the sense of Subsection 203 para. 1 and 2, 186 para. 3 sentence 4 of the German Stock Corporation Law (AktG) and the proportional amount of the capital stock for the new shares does not exceed 10% of the capital stock existing at the time of empowerment, for which the subscription right was excluded. At the maximum limit of 10% of the capital stock, shares of the capital stock are included in the calculation, which were sold during the term of approved capital with exclusion of the subscription right of stockholders pursuant to Subsection 71 para. 1 No. 8 sentence 5, 186 para. 3 sentence 4 of the German Stock Corporation Law, for which conversion rights or option rights or a conversion obligation or a option exercise obligation exists due to options and/or convertible debentures, which were issued since granting of this empowerment with exclusion of the subscription right pursuant to Section 221 para. 4, 186 para. 3 sentence of the German Stock Corporation Law.

A capital increase for capital subscribed in kind in the amount of KEUR 134,000.00 was carried out in the reporting year. Authorized capital in the amount of EUR 6,488,600.00 (previous year: 6,622,600.00) existed on the balance sheet cut-off date.

### Authorized but Unissued Capital and Stock Option Plans (AOP)

Subscribed capital in the amount of EUR 686,000.00 was adopted in the general stockholders meeting of 19 June 2006. This subscribed capital can only be increased insofar as bearers of stock options, which were issued by the company within the context of the stock option program due to the empowerment resolution of the general stockholders meeting of 19 June 2006, exercise their options by 30 May 2011 and the company does not concede its own stocks in fulfillment of the options. No option rights could be exercised anymore during the reporting period.

The options developed in the financial year as follows:

	2011	Average weighted exercise price	2010	Average weighted exercise price
	Options	KUR	Options	KEUR
Option rights exercised during the reporting period	0	–	241,385	3.09
Newly granted during the reporting period	0	–	0	–
In reporting period lapsed options	0	–	-155,435	3.09
In reporting period lost options	0	–	0	–
In reporting period exercised options	0	–	-85,950	3.09
option rights excercised during the reporting period	0	–	0	–
Executable Options on 31 December	0	–	0	–

### Long-Term Variable Compensation Components

With the renewal of service contracts for the Executive Board members, bonus payments were agreed upon starting from the business year 2012, which are linked to the future development of the NEXUS share price. According to it, a bonus payment is due to the Executive Board members if the closing rate on 31 December 2014 surpassed the calculated starting price on 31 December 2011. The difference and consequently the bonus payment are calculated in euro cent steps. The calculating the options, estimated costs in the amount of KEUR 53 will be incurred in the business years 2012-2014. No expenses for appreciation rights were entered for the business year 2011. The number of virtual options is 100,000 share.

Fifty stock price rates per year over the course of three years are used for calculating the prices. At the same time, risk-free interest was selected depending on the term to maturity: 1.25% for two and three years and 2.00% for four years. Dividends were derived in this context.

The anticipated term to maturity of the virtual stock options is based on historical data and current expectations and do not necessarily correspond to the actual exercise future behavior of the beneficiaries. The expected volatility is based on the assumption that future trends can be deduced from historic volatility, whereby the actually occurring volatility can deviate from that assumed. The expected volatility is 19.7% p.a., and the weighted average share price EUR 6.43.

### c) Capital Reserves

Capital reserves essentially contain surcharges from the capital increase conducted in 2000 in connection with the IPO of NEXUS AG as well as the increase of the capital reserves in the amount from the issue of new shares against a noncash capital contribution as well as the exercise of stock options by Executive Board members of management in subsidiaries and employees of the NEXUS Group. The directly attributable expenses incurred within the context of the cash increase, the capital increase through capital subscribed in kind, were offset with the capital reserves. In addition, the adjusted current value of the stocks issued within the context of the stock option plans is considered in the capital reserves position. According to Section 150 of the German Stock Corporation Law, the legal reserves and the capital reserves must exceed one-tenth of the equity capital, so that they can be used to compensate for losses or for a capital increase from company funds. As long as the legal reserves and the capital reserves together do not exceed one-tenth of the equity capital, they may only be used to compensate for losses as long as the loss is not covered by profit carried forward or annual net profit and cannot be compensated for by amortizing other revenue reserves.

Capital reserves increased by KEUR 771 (previous year: KEUR 784) due to the capital increase for capital subscribed in kind performed during the reporting year. The net loss for the year in the amount of KEUR 21,712 was offset against capital reserves in the previous year.

**d) Equity Capital Difference from Currency Conversion**

The equity capital difference from currency conversion results from differences, which resulted from the conversion of the annual financial statements of five foreign subsidiaries.

**e) Validation Reserve for Financial Instruments**

The validation reserve for financial instruments contains the cumulated profits and losses from the valuation of the adjusted current value for selling certain financial assets after offsetting deferred taxes. Impairments of value from the previous year were posted in the amount of the impairment on the balance sheet cut-off date and affecting expenditures.

**f) Pension Accruals**

The pension accruals contain the actuarial, cumulated profits and losses from the valuation from valuation of pension accruals after offsetting deferred taxes.

**Capital Management**

The goal of capital management is to maintain the financial substance of the Group as well as long-term assurance of required financial flexibility. The equity capital rate was also used in measuring the financial security of the Group. In doing this, the equity capital shown in the Group balance sheet was compared to the balance amount. Accordingly, the financing structure is characterized by a capital structures, which is conservative and in which self-financing dominates. The equity capital rate is 72.3% (previous year: 77.3%) on the balance sheet cut-off date. Third-party financing is almost exclusively via liabilities, which result from business operations, as well as via pensions to a slight extent. There are almost no interest-bearing financial liabilities

**13. Pension Obligations**

Domestic pensions accruals have been accrued for NEXUS / IT GmbH SÜDOST, NEXUS / CCC GmbH and NEXUS / IT GmbH NORD for the direct pension obligations (employer's pension commitments) taken over by the Forest Gesellschaft für Products & Services mbH as of 30 September 2000. The performance-oriented plans in Switzerland concern the pension scheme according to Swiss federal law for employee old-age, survivors' and disability benefits (BVG). These plans represent complete insurance policies, in which an insurance company is responsible for the at least temporary, complete actuarial risks, including capital market risks.

The amount of payments for assumed pensions is based on employment years and the respective salary of the person entitled to payments. The accrual is established for payable performances in the form of old-age and disability pensions as well as for survivors' pensions. It is a question of unforfeitable expectancy of future benefits. Plan assets only exist for obligations in Switzerland.

Calculation of the pension obligations considers market interest rates as well as wage, salary and pension trends. In Germany, the reference tables 2005 G (Verlag Heubeck-Richttafeln-GmbH, Cologne), which include death and disability probability, probability of being married at time of death, are used as biometric calculation basis. In Switzerland, the statistics of the years 2002-2004 based on the tariff BVG 2005 were used as a basis. To consider decreasing mortality and simultaneously increased probability of disability, the tariff is increased by 0.5% per year. Consequently, the increase is 3.0% in 2011.

	2011	2010
	%	%
Interest rate calculated (D)	4.37	4.65
Interest rate calculated (CH)	2.25	3.0
Average annual fluctuation rate (D)	5.0	5.0
Average annual fluctuation rate (CH)	15.0	15.0
Rate of compensation increase	1.0	1.0
Annual increase of current pensions (D)	2.0	2.0
Annual increase of current pensions (CH)	0	0
Expected return on plan assets (CH)	2.5	3.5

The changes of the cash value of performance-oriented obligations and the plan assets are as follows:

	2011	2010
	KEUR	KEUR
Cash value of pension obligation at beginning of reporting period	10,789	610
Currency fluctuations	299	0
Access pension liabilities (CH)	0	9,384
Interest payments	472	141
Zinsaufwand	423	349
Paid benefits	-1,284	-1,096
Actuarial profit	-544	834
Employee contributions (CH)	505	405
Company mergers	4,478	162
<b>Cash value of obligations at end of reporting period</b>	<b>15,138</b>	<b>10,789</b>
Cash value of plan assets at beginning of reporting period	9,570	0
Currency fluctuations	283	0
Plan assets receipt (CH)	0	9,337
Expected earnings on plan assets	439	323
Employer contributions	505	414
Employee contributions	505	405
Actuarial profits (+) / losses (-)	-1,015	186
Capital payments	-1,271	-1,249
Company mergers	4,237	154
<b>Cash value of plan assets at the end of reporting period</b>	<b>13,253</b>	<b>9,570</b>
Cash value of external financial obligations	14,399	10,094
Fair value of plan assets	13,253	9,570
Underfunding	1,144	524
Cash value of intern financial obligations	740	695
Financing status	1,884	1,219
Balanced pension liabilities	1,884	1,219
Of which shown as pension accruals	1,884	1,219

Actuarial losses 2011 in the amount of KEUR 471 were entered under other revenue in equity capital or – insofar as they are attributed to them – the shares of non-controlling partners after consideration of deferred taxes. The cumulated actuarial losses were entered in equity capital with KEUR 1,381 minus deferred taxes. The total expenditures for performance-oriented employer's pension commitments, which are contained in personnel expenses, are composed of the following (see below):

	2011	2010
	KEUR	KEUR
Current staff expenses	472	141
Interest payments	423	349
Expected return on plan assets	-439	-323
<b>net expenditure of pensions</b>	<b>456</b>	<b>167</b>

The actual results of the plan assets to KEUR 576 percent (previous year: KEUR 426). Plan assets only exist for obligations to Swiss plans and are composed of the claims against the pension fund. The expected total revenues from plan assets are calculated based on the customary market prices at this time for time over which the obligation will be met.

Estimates of pension obligations based on experience amount to KEUR -698 percent (previous year: KEUR 343), and those of the plan assets to KEUR -1,015 (previous years: KEUR 0). Employer contributions are expected in the amount of KEUR 581 are planned for the current business year.

The cash value of pension obligations and plan assets developed as follows over the past five years:

	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
	<b>KEUR</b>	<b>KEUR</b>	<b>KEUR</b>	<b>KEUR</b>	<b>KEUR</b>
Present value of pension obligations	15,138	10,789	610	534	545
Current value of plan assets	-13,253	-9,570	0	0	0
<b>Plan Deficit</b>	<b>1,884</b>	<b>1,219</b>	<b>610</b>	<b>534</b>	<b>545</b>
Adjustment of pension obligations based on experience	-698	343	-5	103	127
Adjustment of plan assets based on experience	-1,015	0	0	0	0

In Germany, the social pension fund is considered a contribution-oriented pension plan. The expenditures entered for the social pension fund for the employees subject to social insurance contributions amounted to KEUR 1,283 in the past business year (previous year: KEUR 1,196).

In addition, expenditures for other contribution-oriented plans for executive board members exist for direct insurance during the business year in the amount of KEUR 31 (previous year: KEUR 31).

#### 14. Accruals

The accruals are composed of the following:

<b>Accruals</b>	<b>Status 01/01/2011</b>	<b>Use 2011</b>	<b>Dissolution 2011</b>	<b>Listing 2011</b>	<b>Status 12/31/2011</b>
	<b>KEUR</b>	<b>KEUR</b>	<b>KEUR</b>	<b>KEUR</b>	<b>KEUR</b>
Guarantees	141	141	0	0	0
Benefits still to be paid	940	588	0	754	1,106
Misc. other provisions	263	156	20	187	274
	<b>1,344</b>	<b>885</b>	<b>20</b>	<b>941</b>	<b>1,380</b>

Accruals for probable warranty obligations were created based on the best estimates of management with respect to future reduction of economic benefit to fulfill obligations from warranties of the Group. In the meantime, this expenditure has been estimated within the individual projects and is contained as follow-up costs for the performances to be provided starting from the reporting year.

The performances still to be provided concerning risks in project business from threatened follow-up costs as well as price discounts, which are calculated based on values from experience as well as the costs still to be expected. Use of them is expected in 2012. The other accruals will presumably be used in the coming year.

**15. Liabilities**

<b>Financial liabilities</b>	<b>12/31/2011</b>		<b>31.12.2010</b>	
	<b>Short-Termed ( &lt; 1 Year)</b>	<b>Long-Termed ( &gt; 1 Year)</b>	<b>Short-Termed ( &lt; 1 Year)</b>	<b>Long-Termed ( &gt; 1 Year)</b>
	<b>KEUR</b>	<b>KEUR</b>	<b>KEUR</b>	<b>KEUR</b>
Financial liabilities	88	–	0	–

Financial liabilities on current account to credit institutes exist in the amount of KEUR 88 (previous year: KEUR 0).

<b>Trade accounts payable</b>	<b>31/12/2011</b>		<b>31/12/2010</b>	
	<b>Short-Termed ( &lt; 1 Year)</b>	<b>Long-Termed ( &gt; 1 Year)</b>	<b>Short-Termed ( &lt; 1 Year)</b>	<b>Long-Termed ( &gt; 1 Year)</b>
	<b>KEUR</b>	<b>KEUR</b>	<b>KEUR</b>	<b>KEUR</b>
Trade accounts payable	3,444	–	2,536	–

There were outstanding trade account payables in the amount of KEUR 3,444 (previous year: KEUR 2,536) at the end of the business year.

The trade account payables were carried in the balance at their carried forward procurement costs. The total amount is due within one year.

<b>Liabilities to income taxes</b>	<b>31/12/2011</b>		<b>31/12/2010</b>	
	<b>Short-Termed ( &lt; 1 Year)</b>	<b>Long-Termed ( &gt; 1 Year)</b>	<b>Short-Termed ( &lt; 1 Year)</b>	<b>Long-Termed ( &gt; 1 Year)</b>
	<b>KEUR</b>	<b>KEUR</b>	<b>KEUR</b>	<b>KEUR</b>
Liabilities to income taxes	172	–	114	–

The actual tax debts for the current period and earlier periods are to be valued with the amount, in which a payment to tax authorities is to be expected. In calculating the amount, the tax rates and tax

regulations are used as a basis, which are valid or announced for the balance sheet date in the respective country.

Assignment of cost or expense not relating to accounting period	12/31/2011		12/31/2010	
	Short-Termed (< 1 Year)	Long-Termed (> 1 Year)	Short-Termed (< 1 Year)	Long-Termed (> 1 Year)
	KEUR	KEUR	KEUR	KEUR
Assignment of cost or expense not relating to accounting period	2,188	–	19	–

Revenues for the area of software maintenance were realized during the performance time. Due to difference of the performance period from the business year, assignments of cost or expense not relating to accounting period are necessary. The assignment of cost or expense

not relating to accounting period will be transferred to the following business year affect the result. The considerable increase of this position results from the assignments of cost or expense not relating to accounting period of the companies newly integrated into the Group.

Other non-financial debts	12/31/2011		12/31/2010	
	Short-Termed (< 1 Year)	Long-Termed (> 1 Year)	Short-Termed (< 1 Year)	Long-Termed (> 1 Year)
	KEUR	KEUR	KEUR	KEUR
<b>Other non-financial debts</b>	<b>7,107</b>	<b>–</b>	<b>7,054</b>	<b>–</b>
Received payments	5,627	–	5,392	–
Other taxes	1,480	–	1,662	–

The other non-financial debts contain received payments for customer contracts and other taxes, especially turnover tax,

wage and church tax payment obligations as well as social security payments.

Other financial debts	12/31/2011		12/31/2010	
	Short-Termed (< 1 Year)	Long-Termed (> 1 Year)	Short-Termed (< 1 Year)	Long-Termed (> 1 Year)
	KEUR	KEUR	KEUR	KEUR
<b>Other financial debts</b>	<b>2,870</b>	<b>1,707</b>	<b>2,292</b>	<b>256</b>
Of obligations for salary liabilities	2,579	–	1,889	–
Of liabilities to associated companies	0	–	19	–
Derivates without relation to hedge funds	81	–	–	–
Others	210	1,707	384	256

In the position Other, the probable purchase price obligations from put-call options for purchasing remaining company shares are

entered in the amount of KEUR 1,814 (previous year: KEUR 256).

## 16. Possible Liabilities and Other Obligations

1) Legal proceedings as well as claims from legal disputes, which occur during the normal course of business, could be asserted in the future against the Group companies.

The associated risks are analyzed with respect to the probability of their occurrence. Although the result of these disputes cannot always be assessed precisely, the Executive Board believes that no substantial obligations can arise from this

2) There are also financial obligations from the rental of offices, leasing of vehicles and other obligations. In line with the economic content of the leasing agreements, the leasing relations are to be classified as operating leasing relations. The resulting, possible liabilities are as follows:

12/31/2011	2012	2013 to 2016	Beginning 2017
	KEUR	KEUR	KEUR
Rent	1,276	2,605	949
Leasing	707	609	0
	<b>1,983</b>	<b>3,214</b>	<b>949</b>

12/31/2010	2011	2012 to 2015	Beginning 2016
	KEUR	KEUR	KEUR
Rent	931	3,148	425
Lease	412	384	0
	<b>1,343</b>	<b>3,532</b>	<b>425</b>

The rent and leasing payments of the business year amount to:

	2011	2010
	KEUR	KEUR
Rent	1,550	1,138
Lease	944	923
	<b>2,494</b>	<b>2,061</b>

Rental and leasing agreements contain neither extension nor purchase options according to price adjustment clauses. Only minimum leasing payments are contained in 2011.



## 17. Revenue

The consolidated revenues are categorized in the following overview according to regions and business areas:

	Healthcare Software				Healthcare Service			
	2011		2010		2011		2010	
	KEUR	%	KEUR	%	KEUR	%	KEUR	%
Germany	25,402	51.3	22,370	55.8	3,983	98.5	4,647	98.8
Austria	1,164	2.4	1,058	2.6	49	1.2	49	1.0
Switzerland / Liechtenstein	20,905	42.2	14,598	36.4	2	0.0	0	0.0
USA, other regions	2,021	4.1	2,093	5.2	8	0.3	8	0.2
<b>Total</b>	<b>49,492</b>	<b>100.0</b>	<b>40,119</b>	<b>100.0</b>	<b>4,042</b>	<b>100.0</b>	<b>4,704</b>	<b>100.0</b>

They are attributed to:

	2011		2010	
	KEUR	%	KEUR	%
Deliveries	3,699	6.9	3,055	6.8
Services	39,345	73.5	32,255	72.0
Licenses	10,490	19.6	9,513	21.2
<b>Total</b>	<b>53,534</b>	<b>100.0</b>	<b>44,823</b>	<b>100.0</b>

## 18. Other Operating Income

The other operating expenses refer to revenues from charging off short-term liabilities in the amount of KEUR 201 (previous year: KEUR 162), benefits in money's worth in the amount of KEUR 45 (previous year: KEUR 23), redemption of value adjustments from receivables in the amount of KEUR 294 (previous year: KEUR 85) as well as revenues from insurance refunds in the amount of KEUR 16 (previous year: KEUR 24). Foreign currency profits in the amount of KEUR 940 (previous year: KEUR 741) were entered with effect on profit in the reporting year.

## 19. Cost of materials

Material costs were as follows during the business year:

	2011	2010
	KEUR	KEUR
Raw materials and supplies	6,889	6,269
Purchased services	2,848	2,042
	<b>9,737</b>	<b>8,311</b>

Costs for raw materials, consumables and supplies as well as for purchased goods are mainly expenses from hardware purchases, which were intended for further sales. The area of purchased services mainly concerns services in the wake of project business, which was subcontracted to third parties.

## 20. Number of Employees and Personnel Expenses

The following number of employees and trainees were employed on the average in the individual business years:

	2011	2010
Employees	443	362
Trainees	0	6
	<b>443</b>	<b>368</b>

Personnel costs developed during the business year as follows:

	2011	2010
	KEUR	KEUR
Wages and salaries	25,908	20,524
Social costs	4,218	3,400
	<b>30,126</b>	<b>23,924</b>

In personal costs, KEUR 0 (previous year: KEUR 3) refer to expenditures for granted stock options, which were entered split during the salary period according to IFRS 2.

## 21. Other Operating Expenses

The other operational expenditures are as follows:

	2011	2010
	KEUR	KEUR
Operating costs	2,566	2,209
Distribution costs	2,411	2,242
Administrative costs	2,383	2,142
Other operating expenses	2,285	2,759
Other taxes	73	15
	<b>9,718</b>	<b>9,367</b>

The other operating expenses refer mainly to reserves for value adjustments in the amount of KEUR 1,060 (previous year: KEUR 1,455), provisions for reserves in the amount of KEUR 220 (previous year: KEUR 434), exchange rate losses in the amount of KEUR 758 (previous year: KEUR 176) as well as write-offs and losses of debts in the amount of KEUR 221 (previous year: KEUR 372). The other operational expenditures in the table above include payment to the auditing company for the Group Financial Statement as follows:

	2011
	KEUR
Audit (individual accounts and Group audit)	100
Tax consultant services	52
	<b>152</b>

## 22. Revenue from Companies Valuated at Equity

Shown are the proportional annual results of the companies valuated at-equity due to NEXUS Group in the amount of KEUR 2 (previous year: KEUR 0) and a profit in the amount of KEUR 133 from the revaluation of the interest valuated at-equity in VEGA Software GmbH, Aachen, within the context of initial consolidation.

## 23. Finance Income

From finance income, KEUR 168 (previous year: KEUR 97) are revenue from securities and note loans, KEUR 159 (previous year: KEUR 57) interest revenue from bank deposits, KEUR 3 (previous year: KEUR 8) interest received from executive bodies of the company, KEUR 21 (previous year: KEUR 0) revenue from value readjustments on securities of current assets and KEUR 52 (previous year: KEUR 47) on other interest receivable and similar income.

## 24. Finance Expenses

From finance expenses, KEUR 87 (previous year: KEUR 611) are write-offs and outflow losses from securities of current assets, KEUR 1 (previous year: KEUR 5) interest payments from bank liabilities, and KEUR 33 (previous year: KEUR 16) other interest payable and similar expenses. There was KEUR 0 (previous year: KEUR 0) capitalization of interest on borrowings in the reporting year.

## 25. Taxes on Profit

Taxes on profit are composed of the actual tax expenses or actual tax amount and the deferred tax expenses or deferred tax amount. The actual tax liabilities or obligations are measured using the applicable tax laws on the cut-off date with the amounts, which probably must be paid to the tax authorities or which they will demand. Deferred tax debts and liabilities are valued on the basis of the tax laws, which applied on the cut-off date, at the tax rate, which probably applies in the period during which the debt or liability is due. In 2011, all losses carried forward were checked for their value based on a five-year plan. Credited deferred taxes were only established in the amount to which realization via future profit is possible. Debited, deferred taxes, which arise especially due to the capitalization of development costs, are accrued as deferred tax expenses or – when possible – offset with credited deferred taxes. The taxes on the result before income taxes are divided into the actual and deferred income taxes as follows:

	2011	2010
	KEUR	KEUR
Actual tax expenditure	-237	-105
- Current year	-152	-113
- Previous years	-85	8
Deferred tax income	296	335
- Formation / reversal of deferred differences	295	121
- From equity to consolidated net income led to deferred taxes	1	214
	<b>59</b>	<b>230</b>

The corporate income tax including the solidarity tax and the trade tax as well as comparable taxes dependent on income in foreign countries are shown as income taxes. In addition, tax accruals and deferrals are entered in these positions for all substantial differing amounts between commercial and tax balance sheets as well as possible consolidation measures. Substantial indications for realization of deferred tax claims on losses carried forward not used for taxes, which are higher than the operating results from the conversion of existing, taxable temporary differences, result from:

- + The continual result improvement of core business
- + The increasing maintenance volume
- + The planning of the individual companies belonging to the NEXUS Group

In determining the tax rates, a tax rate of 15.0% plus solidarity surcharge were set for the Group tax burden, and rates between 11.55% and 16.38% were set for the trade tax on earnings depending on the municipality. A combined average rate of 28.4% (previous year: 28.4%) is used for calculating the deferred taxes for corporate income tax and trade tax. The shown tax expenses deviated from the expected tax expenses, which would have resulted from application of the nominal tax rate on the result according to IFRS of 28.4% (previous year: 28.4%). The relation of the expected tax expenses to the tax expenses, which result from the Group Profit and Loss Account, shows the following transitional calculation:

	2011	2010
	KEUR	KEUR
Result before tax on profit	4,636	3,308
Profit tax expenses (previous year profit tax yield) At tax rate of 28.4%	-1,316	-940
Change of non-capitalized deferred taxes on losses carried forward	1,399	1,266
Tax rate differences at subsidiaries	79	5
Deviations from expenditures not deductible from taxes	-26	-53
Previous year taxes and other deviations	-77	-48
<b>Tax expenses according to Statement of Income and Accumulated Earnings</b>	<b>59</b>	<b>230</b>

The previous years' taxes and other deviations result in 2011 especially from the conclusions of a domestic tax audit for the years up to and including 2009.

## 26. Earnings per Share

The undiluted earnings per share results from the division of the consolidated surplus due to the stockholders by the average weighted number of stocks in circulation during the period. For calculating the diluted result per share, the consolidated surplus due to the stockholders and the average weighted number of stocks in circulation during the period would have to be adjusted by the effects of all potentially diluted stocks, which result from the exercise of granted options.

Option rights in the amount of 0 (previous year: 85,950) were exercised in 2011. From the options granted in 2006, no more stock option rights could be exercised in 2011, so that no watering effect results. An average number of stocks of 14,208 thousand (previous year: 13,952 thousand) was used as the basis for calculating the watered result per share.

Earnings per Share	2011	2010
Group result (Group share) in KEUR	4,770	3,447
Average of issued shares in circulation (in thousands)	14,208	13,921
Result per share in KEUR (diluted and undiluted)	0,34	0,25

## 27. Funds Statement

The funds statement shows how the means of payment of the NEXUS AG changed due to incoming and outgoing flows in the reporting year. Payments are structured according to current transactions, investments and financing activity in the funds statement. The cash flow from current business transactions is shown according to the indirect method. Other expenditures affecting payment essential result from currency effects related to intangible assets.

## 28. Cash Flow from Current Business Transactions

In 2011, the cash flow from current transactions decreased compared to the previous year to KEUR 10,995 from KEUR 13,929. High down payments were the reason for the extraordinarily high cash flow in the previous year.

## 29. Cash Flow from Investment Activities

The cash flow from investment activities is considerably more negative at KEUR -17,650 (previous year: -4,988) than in the previous year. The company purchases and the investments in intangible assets, especially in development services, were also the focus of investment activities in 2011. In addition, payments were made to financial assets within the context of short-term cash management.

## 30. Cash Flow from Financing Activities

The cash flow from financing activities is above all due to the sale and purchase of our own shares.

## 31. Amount of Financial Resources

The amount of financial resources is composed of liquid funds (cash balance and credit balance at banks) minus account adjustment liabilities to banks.

### 32. Reporting according to Business Segments

According to IFRS 8, operative business segments are to be differentiated based on internal controlling and reporting. The Executive Board of Nexus AG monitors the earning power at regular intervals as the highest decision-making body and makes its decisions about distribution of resources base on the business units NEXUS / CIS, NEXUS / CSO, NEXUS / DIS, NEXUS / HOSPIS, NEXUS / QM, NEXUS / NCS and NEXUS / HCS.. Consequently, the business units are the operative segments in the sense of IFRS 8. The legal units included in the Group Financial Statement are also each allocated completely to a business unit. Each business unit is thus composed of one or more legal units.

In the business units NEXUS / CIS, NEXUS / CSO, NEXUS / DIS, NEXUS / QM, NEXUS / HOSPIS (CH) and NEXUS / NCS, software solutions for the healthcare system are developed and marketed in administrative and medical areas. Because the economic development of these business units reacts to external influences, the products and services offered are similar and the performance-creation process is almost identical as well as the fact that the customers and sales methods are very similar or identical, these six business units are combined in the Healthcare Software segment with mandatory reporting analog to internal reporting pursuant to IFRS 8.

Management controls the segments via the operational segment result.

The operative segment NEXUS / HCS not allocated to the Healthcare Software reporting segment reports as independently operating Healthcare Service segment with mandatory reporting. The companies combined under Healthcare Service are managed uniformly. Central services and solutions for hotline and application support, hardware services and solutions, interface services and solutions as well as external quality assurance and software deployment are provided under the name NEXUS / CCC. NEXUS / IT provides the guiding functions in daily management of the hospital IT department from operational management all the way to taking care of the software applications used and user support. The balance sheet and valuation methods of both segments with mandatory reporting correspond to the same accounting methods as external reporting. Transactions between the segments are settled at customary market conditions.

In the following, revenue and results as well as segment assets and segment liabilities are presented for the individual Group segments that have mandatory reporting: see next page.

The geographic segments of the Group are determined according to the site of the Group assets. Sales to external customers, which are given in the geographic segments, are shown in the individual segments in line with the geographic site of the customers.

The geographic segments are as follows:

	<b>2011</b>	<b>2010</b>
	<b>KEUR</b>	<b>KEUR</b>
<b>Sales</b>		
Germany	29,385	27,017
Austria	1,213	1,107
Switzerland / Liechtenstein	20,907	14,598
Other regions	2,029	2,101
	<b>53,534</b>	<b>44,823</b>
<b>Assets*</b>		
Germany	24,307	23,679
Austria	22	30
Switzerland	14,097	7,257
Other regions	0	0
	<b>38,426</b>	<b>30,966</b>

\*Without financial assets

As of 31 December 2011 and 31 December 2010, no customers were identified, with whom the Group achieved at least 10% of its sales revenue in the past business year.

Segment Reporting	Healthcare Software		Healthcare Service		Consolidation		Group	
	2011	2010	2011	2010	2011	2010	2011	2010
	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR
External sales	49,492	40,119	4,042	4,704			53,534	44,823
- Deliveries	2,557	1,644	1,142	1,411			3,699	3,055
- Services	36,744	29,388	2,601	2,867			39,345	32,255
- Licenses	10,191	9,087	299	426			10,490	9,513
Intersegment sales	41	180	3,971	1,659	-4,012	-1,839	0	0
Segment sales	49,533	40,299	8,013	6,363	-4,012	-1,839	53,534	44,823
Divisional operating result	3,254	2,946	965	784			4,219	3,730
Result from companies valued at equity							135	0
Financial income							403	210
Financial expenses							-121	-632
Profit before tax							4,636	3,308
Period result							59	230
<b>Consolidated Surplus</b>							<b>4,695</b>	<b>3,538</b>
Are attributable to:								
- Stockholders of NEXUS AG							4,770	3,447
- Minority interest							-75	91
Segment assets	62.060	44.063	921	1.036			62,981	45,099
Financial assets							130	171
Other assets							2,191	2,122
Credited deferred taxes							3,033	2,232
Receivables from tax on profits							52	137
Cash an balance in bank							12,033	18,575
<b>Total Assets</b>							<b>80,420</b>	<b>68,336</b>
Segment debt	17.936	11.945	1.400	1.263			19,336	13,208
Finance liabilities							88	0
Liabilities to income taxes							172	114
Other tax liabilities							1,244	1,512
Debited deferred taxes							1,425	706
<b>Total Liabilities</b>							<b>22,265</b>	<b>15,540</b>
Investments	5.741	6.317	203	16			5,944	6,333
Amortisation	6.317	5.623	91	96			6,408	5,719

### 33. Financial Instruments

#### Finance Risk Management

The Group is active internationally in part, whereby it is subject to market risks due to changes of exchange rate. The Group does not believe that these risks can have a substantial influence on the revenue and financial situation of the Group. The following explanations supplement the explanations about the information about risks in Management Report.

#### Non-Payment Risks

Financial instruments, which might cause a concentration of a non-payment risk for the company, are mainly assets at mostly at renowned financial institutes in Germany and Switzerland, customary market securities and trade account receivables. The means of payment and means of payment equivalents of the company are mainly in euros, Swiss francs and US dollars. The marketable securities concern pension funds. The company continually monitors its investments at financial institutes, who are its contractual partners for the financial instruments, as well as their credit worthiness, and cannot detect any risk of non-fulfillment. Non-payment risks or risks that a contractual partner cannot fulfill his payment obligations are controlled via use of loan commitments, credit lines and other control methods within the context of debt management (e.g., credit investigations). With the claim against a customer from Saudi Arabia in the amount of KEUR 756 in terms of euros, there is an exposed non-payment risk for trade account receivables in the Group as of the balance sheet cut-off date. All other theoretical, individual risks in the area of claims against customers are below EUR 0.5 million on the balance sheet cut-off date and refer mainly to institutes of the healthcare system in Germany and Switzerland (hospitals, clinics, etc.). There were trade account receivables diminished in value in the amount of KEUR 1,646 on 31 December 2011 (previous year: KEUR 1,931) (cf. 9. Trade Account Receivables and Other Receivables). The default risk is limited to the book value.

#### Liquidity Risks

All financial liabilities are due within one year. The Group strives to have sufficient means of payment and equivalents for these or have corresponding credit lines to fulfill its obligations over the coming years. In addition, the company has approved capital available in the amount of KEUR 6,488 (previous year: KEUR 6,860) for further capital increases.

With the claims for loans shown under other financial assets against a third party in the amount of EUR 0.8 (previous year: EUR 0.8 million), there is another important risk concentration. This claim for the loan is collateralized with encumbrance of real property in the amount of EUR 1.4 million (3rd preference). An indication of value reduction of the claim for the loan does not exist. The maximum risk amount results from the book value of the capitalized finance instruments.

#### Currency Risks

Exchange rate risks are created by sales made in Switzerland, the USA and other regions in CHF, USD and SAR as well as the resultant receivables, which are subject to exchange rate fluctuations until payment.

#### Interest Risks

NEXUS AG does not take any long-term loans. No cash flow interest risk exists. The securities concern pension funds. The investments are subject to an interest or market value risk. The fair-value risk was entered directly under other income in equity capital in a corresponding valuation reserve due to the classification of securities as performance-neutral as available financial assets until a possible sale or decrease in value.

#### Current Value

The financial instruments of the Group not shown in the balance sheet at the current value primarily concern note loans, trade account receivables, payment means and payment mean equivalents, credit in current account, trade account payables and other liabilities. The book value of the payment means and payment mean equivalents is very close to the current value due to the short term of these financial instruments. The book value based on historic purchase costs is also very close to the current value for claims and debts, which are subject to normal trade credit conditions.



### Transaction Risk

NEXUS AG invoiced approx. 45.1% of its sales outside of the euro sphere in 2011 (previous year: 37.2%). We incur costs in Swiss francs due to our operations in Switzerland, but only slight costs in US dollars. As of 31 December 2011, the Group had holdings in USD in the amount of TUSD 2,834 = KEUR 2,191 (31 December 2010: TUSD 584 = KEUR 436) and holdings in Swiss francs in the amount of TCHF 1,753 = KEUR 1,442 (31 December 2010: TCHF 1,199 = KEUR 958). There were trade account receivables in foreign currency in the amount of TSAR 4,115 = KEUR 848 (31 December 2010: TSAR 8,901 = KEUR 1,775) as well as TCHF 8,733 = KEUR 7,179 (31 December 2010: TCHF 5,662 = KEUR 4,522) on 31 December 2011. The trade accounts payable in foreign currency were TCHF 1,473 = KEUR 1,211 (31 December 2010: TCHF 423 = KEUR 338) on 31 December 2010; the liabilities in USD are not substantial as was the case in the previous year. Derivative financial instruments are used as future exchange transactions for controlling the currency risk. A hedging relation did not exist on the balance sheet cut-off date. Based on the balance sheet prices of the relevant currencies, the determination of sensitivities of a hypothetical change of the exchange rate relations was set at 10 percent respectively. If the euro had appreciated (depreciated) in value 10% compared to the US dollar on the balance sheet cut-off date, the Group result before taxes would have been reduced (increased) by KEUR 219 (previous year: KEUR 44). An appreciation (depreciation) of the Saudi Arabian Rial (SAR) of 10% compared to the euro would increase (decrease) the Group result before taxes by KEUR 0 (previous year: KEUR 176). If the Swiss franc (CHF) had had appreciated (depreciated) in value 10% compared to the euro on the balance sheet date, the Group result before taxes would have been higher (lower) by KEUR 597 (previous year: KEUR 112).

### Translation Risk

The main office of the subsidiaries, NEXUS / Schweiz GmbH (100%), NEXUS Medizinsoftware und Systeme AG (99.98%) and Flexreport AG (100%), Domis Consulting AG (100%), Synergetics AG (60%) as well as the main office of the 50% share in NEXUS / Arabia Ltd. are outside of the area where the euro is used. Because the reporting currency of the NEXUS Group is the euro, the revenues and expenditures of these subsidiaries are converted into euros within the context of consolidation. Changes in the average exchange rates from one reporting period to another can cause significant conversion effects, for example, with respect to sales revenues, the segment result and the Group result.

### Additional Information about the Financial Instruments

The following table (page 90 f.) shows the book value according to valuation categories in line with IAS 39 and the adjusted current value according to classes of financial assets and financial liabilities. Net profits of the category FVTPL (HfT) are shown under position Other Operating Income (KEUR 0; previous year: KEUR 0). Net losses are shown in the Other Operating Income (KEUR -81; previous year: KEUR 0). The net profits / losses of the category AfS contain reduction losses of KEUR 87 (previous year: KEUR 611), which are entered in the position Finance Expenses. Profits are shown under Finance Income. In addition to the booked net profits / losses from AfS securities and at-equity valued shares in the consolidated surplus, category AfS also contains net losses entered under other revenue in equity capital after deduction of deferred taxes of KEUR 0 (previous year KEUR -10). No impairments of value in the reporting year (previous year: due to sales of securities KEUR 611) from the valuation reserve for financial instruments were recorded affecting expenditures in the Profit and Loss Account in the reporting year. The net profits / losses of the category loans and receivables contain reduction losses of KEUR -1,281 (previous year: KEUR -1,519). These are shown in item Other Operating Expenses. Profits from value adjustments in the amount of KEUR 294 (previous year: KEUR 85) are shown under Other Operating Income.

### Net Profits / Losses from Financial Instruments

The net profits and losses from financial instruments (according to valuation category) affecting the result in business year 2011 can be summarized as follows:

	2011	2010
	KEUR	KEUR
FVTPL (HfT)	-81	0
AfS	69	-611
LaR	-987	-1.434
FLAC	0	0
<b>Total</b>	<b>-999</b>	<b>-2.045</b>

### Interest Income / Expenditures from Financial Instruments

Interest income / expenses from financial instruments, which were not valued with adjusted current value as revenue, were as follows in the business year 2011:

Interest earned / interest costs from financials instruments	2011	2010
	KEUR	KEUR
Interest earned	382	210
Interest costs	66	21
<b>Total</b>	<b>316</b>	<b>189</b>

Interest revenue refers to financial instruments of the category AfS with KEUR 94 (previous year: KEUR 97). Interest revenue on value-reduced financial assets was KEUR 94 (previous year: KEUR 97).

The following overview presents the financial instruments carried in the balance sheet at the adjusted current market value, on which all essential parameters of valuation are based. The individual levels are defined according to IFRS 7:

**Level 1:** Valuation with prices noted on active market (used unchanged) for identical assets and liabilities.

**Level 2:** Valuations for the asset or liability is either direct (as price) or indirect (deduced from prices) on the basis of observable input data, which do not represent any quoted price according to level 1.

**Level 3:** Valuation on the basis of models with input parameters not observed on the market.

	12/31/2011				12/31/2011			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>	<b>2,056</b>	<b>0</b>	<b>0</b>	<b>2,056</b>	<b>2,122</b>	<b>0</b>	<b>0</b>	<b>2,122</b>
Investment in securities	2,056	0	0	2,056	2,122	0	0	2,122
<b>Financial debts</b>	<b>0</b>	<b>81</b>	<b>0</b>	<b>81</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Derivates without relation to hedge funds	0	81	0	81	0	0	0	0

#### Explanation of Abbreviations

<b>FVTPL (HfT)</b>	Financial assets evaluated as revenue at the adjusted value at the time / liabilities (kept for trading purposes)
<b>AfS</b>	Financial assets available for sale
<b>LaR</b>	Loans and Receivables
<b>FLAC</b>	Financial liabilities, which are valued at the net book value

A separate class is to be created for the position cash balance and bank balance. General assignment to the carried forward procurement costs or to the finance instruments valued at fair value is not correct, because it is shown at nominal value, whereby foreign currencies are converted at the current exchange rate. Consequently, evaluation of the cash balance and credit balance at banks is connected with a categorization according to IAS 39, which is why there are no valuations in the balance sheet according to valuation category.

2011 in KEUR as of 12/31/	Category according to IFRS 7.6	Value to be attributed	Book Value	Valuation rate on the balance sheet category ias 39			
				Valuation	As of 31/12/2011	As of 31/12/2011	FVTPL (HfT)
<b>Assets</b>							
Receivables from companies valued at-equity	continued procurement costs	90	90	–	90	–	–
Securities	at adjusted current market value	2,056	2,056	–	2,056	–	–
Open-market credits	continued procurement costs	8,000	8,000	–	–	8,000	–
Cash and balance in bank	–	–	12,033	–	–	–	–
Trade receivables	continued procurement costs	14,168	14,168	–	–	14,168	–
Receivables from companies valued at-equity	continued procurement costs	11	11	–	–	11	–
Project contracts with balances due from customers actively	–	185	185	–	–	185	–
Other original financial assets	continued procurement costs	1,328	1,328	–	–	1,328	–
		<b>25,838</b>	<b>37,871</b>	<b>–</b>	<b>2,146</b>	<b>23,692</b>	<b>–</b>
<b>Liabilities</b>							
Financial liabilities	continued procurement costs	88	88	–	–	–	88
Trade accounts payable	continued procurement costs	3,444	3,444	–	–	–	3,444
Derivates without relation to hedge funds	at adjusted current market value	81	81	81	–	–	–
Other non-derivative financial liabilities	continued procurement costs	4,496	4,496	–	–	–	4,496
		<b>8,109</b>	<b>8,109</b>	<b>81</b>	<b>–</b>	<b>–</b>	<b>8,028</b>

2011 in KEUR as of 12/31/	Category according to IFRS 7.6	Value to be attributed	Book Value	Valuation rate on the balance sheet category ias 39			
				Valuation	As of 12/31/2010	As of 12.31/2010	FVTPL (HfT)
<b>Assets</b>							
Shares of companies valued at equity	at carried forward procurement costs	98	98	–	98	–	–
Securities	continued procurement costs	2,122	2,122	–	2,122	–	–
Cash and cash equivalents	–	–	18,575	–	–	–	–
Trade receivables	continued procurement costs	11,044	11,044	–	–	11,044	–
Receivables from companies valued at-equity	continued procurement costs	1	1	–	–	1	–
Project contracts with balances due from customers actively	–	825	825	–	–	825	–
Other original financial assets	continued procurement costs	1,469	1,469	–	–	1,469	–
		<b>15,559</b>	<b>34,134</b>	<b>0</b>	<b>2,220</b>	<b>13,339</b>	<b>–</b>
<b>Liabilities</b>							
Financial liabilities	continued procurement costs	–	–	–	–	–	–
Trade accounts payable	continued procurement costs	2,536	2,536	–	–	–	2,536
Other non-derivative financial liabilities	continued procurement costs	2,548	2,548	–	–	–	2,548
		<b>5,084</b>	<b>5,084</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>5,084</b>

### 34. Contingent Liabilities

There were no contingent liabilities on 31 December 2010 as was the case on the cut-off date in the previous year.

### 35. Relation to Closely Affiliated Companies and Persons

#### Affiliated Companies

NEXUS AG is the highest ranking parent company. Insignificant transactions were conducted with the affiliated company G.I.T.S. Gesundheitswesen IT-Service GmbH, Fürstentfeldbruck, for the Group during the reporting period. Overall, sales in the amount of KEUR 60 (previous year: KEUR 60) and purchases in the amount of KEUR 0 (previous year: KEUR 76) were made. There were no outstanding trade accounts receivable or trade account payables on the cut-off date as was the case in the previous year. There were no business transactions with the affiliated companies Medidata GmbH, Berlin, and Palladium-med GmbH, Berlin, in the business year. Debes Consulting GmbH, Heiden (CH), provides management services for a Swiss subsidiary. Purchases in the amount of KEUR 169 (previous year: KEUR 54) were made here during the business year. There were also trade accounts payable in the amount of KEUR 94 (previous year: KEUR 25). RPS Invest AG, Pfäffikon (CH), provides management services for a Swiss subsidiary. Purchases in the amount of KEUR 285 were made here during the business year. In addition, there are trade accounts payable in the amount of KEUR 1 Cdot AG, Wilen near Wollerau (CH), receives services from a Swiss subsidiary. KEUR 9 of outstanding receivables existed on the cut-off date. Turnover with services amounted to KEUR 70 in the business year. Sales to and purchases from affiliated companies are at normal market conditions.

#### Affiliated Persons

Management members in key positions are only management members (Supervisory Board and Executive Board) of the Group parent company NEXUS AG. In addition to their work in the Supervisory Board, the members of the Supervisory Board provide services themselves or via companies affiliated with them for the Group and invoice them in line with customary market conditions. In 2011, the expenses for such service fees amounted to KEUR 102 (previous year: EUR 92). There were outstanding trade accounts payable in the amount of KEUR 0 on the balance sheet cut-off date (previous year: KEUR 11). In addition, Group companies provide services to Supervisory Board members and invoice them in line

with customary market conditions. In 2011, the revenues from such services amounted to KEUR 90 (previous year: EUR 119). There were outstanding trade account receivables in the amount of KEUR 56 on the balance sheet cut-off date (previous year: KEUR 17). There are no other relations to affiliated persons requiring reporting other than the information already reported at this place and other places.

The outstanding positions at the end of the business year are not collateralized, non-interest bearing and will be paid in cash. There are no guarantees for receivables or payables in connection with affiliated companies. The Group did not adjust any values for receivables with respect to affiliated companies as of 31 December 2011 as was the case on the cut-off date of the previous year. The necessity of reporting a valuation adjustment is checked annually by checking the financial situation of the affiliated company and the market, in which it is active.

### 36. Organs of the Group

The following persons are members of the Supervisory Board:

- + Dr. jur. Hans-Joachim König, Singen; Chairperson
- + Prof. Dr. Ulrich Krystek, Hofheim; Deputy Chairperson
- + MBA (FH) Wolfgang Dörflinger, Constance
- + MBA. Matthias Gaebler, Stuttgart
- + Erwin Hauser, Businessman, Blumberg
- + Prof. Dr. Alexander Pocsay, St. Ingbert

The overall remuneration of the Supervisory Board amounted to KEUR 112 (previous year: KEUR 85).

The Executive Board:

- + Dr. Ingo Behrendt, Constance; Chief Executive Officer
- + MBA Ralf Heilig, Kreuzlingen (CH), Chief Sales Officer
- + Graduated Engineer Edgar Kuner, St. Georgen; Executive Development Board

The total salaries of the Executive Board are as follows:

	2011	2010
	KEUR	KEUR
<b>Salary components</b>		
Non-performance-related component	569	550
a) Short termed benefit	538	519
b) Benefit after employment	31	31
Performance-related component	382	320
Component with long-term incentive with adjusted current value	53	0
<b>Total</b>	<b>1,004</b>	<b>870</b>

Severance payments were not made. Based on the resolution of the general stockholders meeting of 18 June 2007, no individualized information about the salaries of Executive Board members is provided.

No more stock options were issued to the Executive Board members on the balance sheet cut-off date. Stock-based compensation was agreed upon with the Executive Board members in December 2011. It is composed of 100,000 virtual stock options, which will become due in 2015 are based on the development of stock prices between 2012 and 2014. The adjusted current value at granting was KEUR 53.

A loan in the amount of KEUR 250 was granted to an Executive Board member in 2008. KEUR 42 was repaid in the reporting year. Interest totaled KEUR 3 in 2011. As of 31 December 2011, loans and interest amounted to KEUR 52. A final payment in the amount of EUR 52 will be due on 30 April 2012. The interest rate for the granted loan is 4% p.a. The interest payments are due on the redemption dates. No security was provided.

### 37. Directors' Holdings

In the business year 2011, the number of stocks held by the Executive Board and the Supervisory Board changed as shown in the list below.

### 38. Events after the Balance Sheet Date

Events after the balance sheet date, which provide additional information about the situation of the company as of the balance sheet date, are considered in the balance sheet. Events after the balance sheet date, which do not result in any adjustments, do not exist.

### 39. Statement in line with Section 161 German Stock Corporation Law about German Corporate Governance Code

The Supervisory Board and the Executive Board of NEXUS AG submitted the statement required according to Section 161 of the German Stock Corporation Law on and made it continually accessible on the Group homepage at [www.nexus-ag.de](http://www.nexus-ag.de) – Investor Relations – Corporate Governance.

	Number of shares	Number of Options
<b>Supervisory Board</b>		
Dr. jur. Hans-Joachim König	101,239 in 2010 (101,239)	0 in 2010 (0)
Prof. Dr. Alexander Pocsay	121,500 in 2010 (121,500)	0 in 2010 (0)
Erwin Hauser	15,000 in 2010 (15,000)	0 in 2010 (0)
Diplom-oec. Matthias Gaebler	0 in 2010 (0)	0 in 2010 (0)
Wolfgang Dörflinger – graduate in business administration	0 in 2010 (0)	0 in 2010 (0)
Prof. Dr. Ulrich Krystek	0 in 2010 (0)	0 in 2010 (0)
<b>Executive Board</b>		
Dr. Ingo Behrendt (MBA)	169,000 in 2010 (169,000)	0 in 2010 (0)
Ralf Heilig (MBA)	135,350 in 2010 (135,350)	0 in 2010 (0)
Edgar Kuner (graduate engineer)	248,051 in 2010 (248,051)	0 in 2010 (0)

## Assurance of Legal Representatives

According to the best of our knowledge, we assure that the actual relations corresponding to the assets, finances and revenue situation of the Group in line with the accounting principles to be applied for the Group Financial Statement are stated and that the course of business including the business result and the situation of the Group are depicted in the Group Status Report, so that the actual relations as well as the essential chances and risks of the probable development of the Group are described.

Villingen-Schwenningen, 13 March 2012

NEXUS AG  
The Executive Board

## Audit certificate of the auditor

We have audited the Group Financial Statement drawn up by the NEXUS AG, Villingen-Schwenningen, composed of Group Balance Sheet, Group Profit And Loss Account, Group Statement of Comprehensive Income, Group Cash Flow Statement, Group Equity Capital Modification Account and Group Appendix as well as the Group Status Report for the business year from 1 January until 31 December 2011. The preparation of the Group Financial Statement and the Group Status Report in line with IFRS, as they are to be applied in the EU, and the supplementary commercial law regulations according to Section 315a clause 1 of the German Commercial Code are the responsibility of the legal representatives of the company. Our job is to provide an assessment of the Group Financial Statement and the Group Status Report on the basis of an audit, which we conduct.

"We conducted our audit of the Group Financial Report in accordance with Section 317 of the German Commercial Code (HGB) under consideration of the German principles set by the Institute of Auditors (IDW). Accordingly, the audit should be planned and conducted in such a way that misstatements and violations, which have an essential effect on the depiction of the picture of the situation of assets, finances and revenue communicated by the Group Financial Statement under consideration of the applicable regulations and by the Group Status Report, are detected with sufficient certainty. At setting the auditing procedures, knowledge about the business operations and the economic and legal environment of the Group as well as the expectations of possible errors are considered. Within the framework of the audit, the effectiveness of the internal control system related to accounting as well as proofs from the information in the Group Financial Statement and the Group Status Report are judged mainly on the basis of spot checks. The audit includes judgment of the year-end financial statements of companies included in the Group

Financial Statement, delimitation of the consolidation circle, the applied accounting and consolidation principles and the essential estimates of the legal representatives as well as an assessment of the overall depiction of the Group Financial Statement and the Group Status Report. We believe that our audit provides a sufficiently reasonable basis for our judgment.

Our audit did not find anything objectionable.

According to our judgment based on the information obtained in the audit, the Group Financial Statement and the Group Status Report are in line with IFRS, as they are to be applied in the EU, and the supplementary commercial law regulations according to Section 315a para. 1 of the German Commercial Code (HGB), and communicate a picture of the situation of the assets, finances and revenue of the Group corresponding to actual conditions. The Group Status Report is in agreement with the Group Financial Statement and communicates a generally accurate picture of the situation of the group and presents the chances and risks of future development correctly

Stuttgart, 14 March 2012

KPMG AG  
Auditing Company

Philipp  
Auditor

Kern  
Auditor





**nexus/ag**

NEXUS AG, Auf der Steig 6, D-78052 Villingen-Schwenningen  
Telephone +49 (0)7721 8482-0, Fax +49 (0)7721 8482-888  
[www.nexus-ag.de](http://www.nexus-ag.de), [info@nexus-ag.de](mailto:info@nexus-ag.de)