DASSAULT SYSTEMES

RTT becomes 3DEXCITE

ANNUAL REPORT 2013

CONTENTS

SUPERVISORY BOARD REPORT FOR THE 2013 FINANCIAL YEAR

Ladies and Gentlemen,

The Supervisory Board continued to closely accompany the Management Board in the management of the business in the 2013 financial year. The following report provides an overview of the Supervisory Board's activities during the past financial year.

It is however reminded that, following the acquisition by Dassault Systèmes S.A. of an (indirect) interest of 84% in the share capital of Realtime Technology AG on 13 January 2014, all members of the Supervisory Board resigned and six new Supervisory Board members were judicially appointed on 13 March 2014. This report has been prepared by the new members of the Supervisory Board and is based inter alia on the minutes of the meetings and resolutions of the Supervisory Board in the financial year 2013.

Support, consultation and collaboration with the Management Board

The Supervisory Board engaged itself intensively and regularly with the situation of the Company and the Group during the course of the whole year. It performed the tasks and authorities incumbent upon it pursuant to the law and the Company's articles of association, consulted continuously with the Management Board, and supervised it in its management activities. The Management Board informed the Supervisory Board at Supervisory Board meetings and continuously between scheduled meetings, through written and verbal reports, extensively, regularly, and promptly about all relevant aspects of corporate planning, including financial, investment and personnel planning, business trends, the financial and commercial position of the Company and the Group, the Group's financial position and profitability, as well as about all decisions and events of importance to the Group.

The Chairman of the Supervisory Board was also in regular contact with the Management Board outside the scope of meetings, consulting with it on business strategy, trends and risk management. Working discussions were also conducted continuously between the Chairman of the Supervisory Board and the Management Board in order to ensure a constant information flow.

The Supervisory Board was directly involved in all decisions of key significance for the Company. Following in-depth consultation and examination of the basis of documents as presented by the Management Board, the Supervisory Board voted on individual transactions requiring its approval pursuant to the law, the Company's articles of association or its rules of business procedure.

Meetings and their focal points

A total of six regular Supervisory Board meetings were held in the year under review, including one held via telephone conference. Voting on resolutions was also conducted outside the scope of meetings when required.

The meeting on 8 February 2013 focused particularly on business trends in the individual geographic regions in the 2012 financial year, and planning for the 2013 financial year.

Topics of discussion at the meeting on 26 April 2013 included business results for the first quarter 2013, and the development status of individual Group companies, especially RTT USA, Inc. and Bunkspeed, Inc. This meeting also served to prepare for the Ordinary Shareholders' General Meeting on 28 June 2013.

Following in-depth discussion, the Supervisory Board in its meeting held on 16 May 2013 approved the Company's annual and consolidated financial statements for the 2012 financial year, thereby adopting the annual financial statements. This meeting also approved the Management Board's proposal for the appropriation of unappropriated retained earnings, the Supervisory Board's report, and the agenda, including the resolutions proposed by the Supervisory Board, for the Ordinary Shareholders' General Meeting on 28 June 2013.

SUPERVISORY BOARD REPORT

At the meeting held on June 28, 2013, ahead of the Ordinary Shareholders' General Meeting, focal topics included the current business trend of the RTT Group during the first half of 2013, and the discontinuation of the »CAD Reality Co. Ltd.« joint-venture with Dai Nippon Printing Co. Ltd. (DNP) in Japan. Potential strategies associated with Bunkspeed, Inc. were also discussed.

At the meeting on 11 October 2013, the Supervisory Board focused especially on business trends during the third quarter of 2013. The Management Board also reported on developments at Bunkspeed, Inc., especially the purchase by the Company of shares of the still-existing minority shareholders.

The main topics at the Supervisory Board meeting on 20 December 2013 comprised the approval of the joint opinion of Management Board and Supervisory Board on the voluntary public offer of 3DS Acquisition AG, and the overall development of individual business areas and geographic regions in the 2013 financial year.

Committees

Committees were formed and single Supervisory Board members assigned with special tasks in the year under review in order for the Supervisory Board to conduct as efficiently as possible the tasks incumbent on it pursuant to the law and the Company's articles of association. To prepare the meeting of the Supervisory Board regarding the financial statements, one Supervisory Board member, together with the auditor, concerned itself in depth with the annual and consolidated financial statements for the 2012 financial year. The results were presented in detail to the Supervisory Board at its plenary meeting held on 16 May 2013. The Compensation Committee (preparatory committee) concerned itself with the Management Board compensation scheme, presenting related resolutions to the plenary Supervisory Board for approval. Further, a committee was entitled to pass resolutions to address questions relating to the Company in connection with the changes to the shareholder structure.

Personnel changes

As part of the regular election of the Supervisory Board, the Shareholders' General Meeting of 28 June 2013 re-elected Dr. Marcus Englert, Tim Bunting, Peter Conzatti, Dr. Ralph Schnell and Jürgen Kunz. The Chairman of the Supervisory Board of many years' Prof. Dr. Uli Göhner, who did not stand for re-election, was replaced by Christoph Karrasch as a newly elected Supervisory Board member. Dr. Marcus Englert was appointed by the Supervisory Board as the new Chairman of the Supervisory Board, and Christoph Karrasch was appointed as the new Deputy Chairman of the Supervisory Board.

No changes occurred to the Management Board in the year under review. After the resignation of Christoph Karrasch as of 31 December 2012, the Management Board consisted of the two members Ludwig Fuchs and Roberto Schettler during the entire 2013 financial year.

Changes after the closing of the 2013 financial year:

Following the acquisition by Dassault Systèmes S.A. of an (indirect) interest of 84% in the share capital of Realtime Technology AG on 13 January 2014, all members of the Supervisory Board resigned and the following six new Supervisory Board members were judicially appointed by the local court of Munich on 13 March 2014: Bernard Charlès, Dr. Mario Ohle, Philippe Laufer, Andreas Barth, Didier Gaillot and Samia Sellam. Bernard Charlès was elected as the new Chairman of the Supervisory Board and Dr. Mario Ohle as the new Deputy Chairman of the Supervisory Board, by resolution of the Supervisory Board on 31 March 2014.

Monica Menghini was appointed to the Management Board of the Company by resolution of the Supervisory board on 22 January 2014. Ludwig Fuchs resigned from his duties as member of the Management Board with effect on 28 February 2014.

Audit of the annual and consolidated financial statements

The annual financial statements for the 2013 financial year prepared by the Management Board according to the regulations of the German Commercial Code (HGB), and the 2013 consolidated financial statements prepared according to International Financial Reporting Standards (IFRS), along with the combined management report for the Company and the Group for the 2013 financial year were audited by PricewaterhouseCoopers AG Wirtschaftsprüfungsgesellschaft, Munich, pursuant to the resolution of the Shareholders' General Meeting of Realtime Technology AG of 28 June 2013 and the subsequent awarding of the mandate by the Supervisory Board, and both were issued with unqualified audit opinions.

All documents relating to the financial statements, the combined management report for the Company and the Group and the corresponding auditors' reports were made available to all Supervisory Board members in due time, and formed the subject of the Supervisory Board meeting on June 11, 2014. At this meeting, the Supervisory Board independently, and in the context of statutory provisions, reviewed the annual and consolidated financial statements and the combined management report for the Company and the Group for the 2013 financial year. At this meeting, the Management Board explained the documents, and responded to further questions. The auditor reported on the significant results of its audit, and responded to all supplementary questions. The Supervisory Board concurred with the audit results, and raised no objections following the conclusive result of its own examination.

Accordingly, the Supervisory Board, at its meeting held on 11 June 2014, approved the annual financial statements prepared by the Management Board for the 2013 financial year, and the consolidated financial statements prepared by the Management Board for the 2013 financial year. The annual financial statements are consequently adopted pursuant to Section 172 of the German Stock Corporation Act (AktG).

Thanks

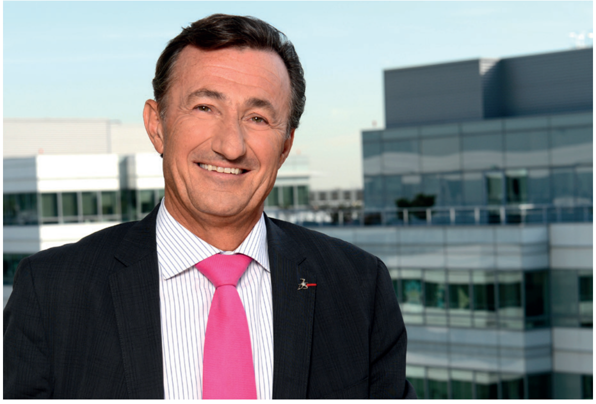
The Supervisory Board would like to thank the Management Board, the subsidiaries' managing directors, and all the staff for their personal input and work during the financial year 2013.

Munich, 11 June 2014

On behalf of the Supervisory Board

Bernard Charlès

Chairman of the Supervisory Board



1. GROUP BUSINESS MODEL

a. Company structure

RTT AG is one of the world's leading one-stop providers of high-end software, consultancy services and creative solutions in the field of professional 3D visualization. From its headquarters in Munich and with 15 locations around the world, the RTT Group serves the most prestigious global players from the automotive, aviation and consumer goods industries. RTT was one of the precursors recognizing the significance of 3D realtime visualization as a key technology for companies, and has grown from pioneer to market leader since its inception in 1999. RTT combines powerful software technology, individually tailored packages, total process support and creative visualization, and offers this expertise across all areas of application in the product lifecycle.

Locations

The RTT Group, with its headquarters in Munich, comprises a total of 15 locations around the world: Darmstadt, Munich, Hamburg, Stuttgart, Brussels, London, Milan, Paris, Pasadena/Los Angeles, Royal Oak/Detroit, Sao Paolo, Shanghai, Tokyo, Valencia and Wolfsburg.

In the reporting year 2013, the RTT Group is divided in legal terms into the following subsidiaries and branch offices

- **RTT USA Inc.** located in Pasadena / Los Angeles, California, is a 100% subsidiary of RTT AG.
- **RTT Asia-Pacific Jusik-Hoesa** located in Seoul, South Korea, is a 100% subsidiary of RTT AG.
- **RTT Japan K.K.** located in Tokyo, Japan, is a 100% subsidiary of RTT Asia-Pacific Jusik-Hoesa.
- **RTT China Co. Ltd.** located in Shanghai, China, is a 100% subsidiary of RTT Asia-Pacific Jusik-Hoesa.
- **RTT do Brasil LTDA** located in Sao Paulo, Brazil, is a 100% subsidiary of RTT AG.
- **RTT B.V.** located in Amsterdam, Holland, is a 100% subsidiary of RTT AG.
- **RTT BeNeLux BVBA** located in Vilvoorde, Belgium, is a 99.99% subsidiary of RTT B.V. (0.01% is held by RTT AG).
- **Bunkspeed Inc.** a supplier of 3D software products headquartered in Encinitas, California, is a 100% subsidiary of RTT USA Inc.

There were two changes of a structural nature in the reporting period. Bunkspeed Inc. was taken over entirely by RTT AG as of September 30, 2013. Previously, RTT AG had a majority holding of 65.52 percent. Furthermore, the shares were transferred to RTT USA as of December 31, 2013 as part of an intragroup sale. RTT Japan K.K: which held 40 percent of the shares of CAD Reality Co. Ltd. Tokyo, Japan, sold its share with effect from August 30, 2013.

RTT AG

The Group headquarters in Munich is responsible for strategic corporate planning and controls all central functions in Research & Development, Corporate Controlling and Finance, Investor Relations and Corporate Communications, Sales and Marketing, Human Resources, IT and Product Support, as well as Risk Management.

Since 2012, work has commenced to divide the whole organization into separate divisions, so-called Lines of Business (LOBs). Each LOB is responsible for its own results and services specific subject areas and fields of application. Together, the LOBs cover the following areas: Design Solutions, Development Solutions, Marketing Solutions, Interactive Sales Solutions, Enterprise Data Management and Process Consulting Solutions, Lifestyle and INSTNT with RTT. The LOB, »FLAVOR3D with RTT«, specializing in creative media production, was added to the mix in the spring of 2013.

The Group's headquarters have been particularly consistent and vigorous in driving the establishment of the LOBs forward. The LOB structure has not yet been completely rolled out around the world.

The RTT Group and its brands

The Group is divided into the umbrella brand RTT and three further sub-brands: the two creative spin-offs, »INSTNT with RTT«, »FLAVOR3D with RTT« and »BUNKSPEED« specializing in intuitive visualization software which is a perfect complement to the RTT software portfolio. Each brand operates independently in its own market segment, whereby strategic control is exercised centrally by RTT AG.

The chief executives of RTT subsidiaries act with a high degree of autonomy in their respective regions. This is the foundation which enables companies to respond extremely flexibly to customer demands, trends, market developments and changing conditions.

Within the RTT Group, the focus will remain on strengthening the regions in their spheres of action and on establishing a comparable market position in all triad countries. The Group succeeded in maintaining the positive trend from the previous year in the financial year 2013.

b. Business

Over the years, RTT has established itself as a leader in the 3D visualization sector with its holistic approach of harnessing CAD data from development as a central element for highly realistic 3D visualization. In this way, products are made available across the entire value added chain, already in their early development stages, and can be actively included in initial planning phases.

The CAD data from product development form the working foundation for every application. They are processed to form digital reference models that can be experienced and reviewed as virtual product prototypes across the company - highly realistic, interactive and in 3D.

This ensures end-to-end data consistency, enhancing the efficiency of design, development, marketing and sales. The RTT visualization platform can be seamlessly incorporated into any IT architecture and process environment, and facilitates the sustainable utilization of product data over the entire lifecycle. As a result, costly, physical prototypes are replaced by computer-generated equivalents. The 3D reference model serves as a universally available basis for discussion for all process participants. At every stage, as the product approaches its first launch, the realtime model is continuously revised to reflect the current stage of development - making it available at all times in its most updated form. As soon as product development has been completed, the 3D model is employed to create photorealistic image material for use in sales and marketing. This enables processes to be sustainably optimized across the entire value added chain.

Accordingly, high-end 3D visualization should not only be seen as a technology, but also as a medium for a new, more efficient means of inter-disciplinary communication. Company-wide communication benefits from shorter innovation cycles and more efficient sequences and decision-making processes. Globally designed marketing strategies are supported by emotional and exciting brand and product experiences in the course of which products can be presented more attractively for end users through the creation and production of 3D content available for deployment across all media. This opens up completely new perspectives in terms of effectiveness, flexibility and cost efficiency at the customer's end.

The RTT business model is essentially based on three pillars: high-end software, customized visualization solutions and highly realistic 3D content based on CGI (Computer Generated Imagery). Besides implementing and integrating visualization solutions, RTT companies also advise and lend support whenever processes are to be optimized – drawing on in-depth competence based on many years of experience and thorough knowledge of the respective industries and sectors.

Software

The visualization platform in the shape of RTT DeltaGen and associated software modules, forms the basis of RTT's portfolio. Harnessing this software, data can be converted from all current CAS/CAS systems into photorealistic 3D realtime models, verified and presented.

All further RTT software solutions complement the performance range of DeltaGen with additional functions that are expedient throughout the whole workflow, such as asset management (RTT PictureBook), cloud-based realtime rendering and service management (RTT PowerHouse), digital material design (RTT DeltaTex) and reviewing (RTT DeltaView).

Solutions

As part of its product portfolio, RTT offers solutions supporting the entire value added process. High-end technology and RTT's in-depth expertise are tightly meshed in its 3D realtime model. The tailor-made packages achieve synergies and efficiency benefits across the whole company.

Design Solutions

Design workflows based on visualizations minimize the scope for interpretation in the creative process and while supporting highly efficient coordination meetings between design, product management and target markets at the same time. All process participants can discuss ideas and drafts in an extremely targeted fashion from the very beginning, and quickly initiate product decisions. This accelerates design processes considerably and allows a tighter interaction and networking of all teams across the globe.

Development Solutions

In the development area, the professionals responsible for design and engineering have developed a common language and a very productive form of cooperation thanks to highly realistic 3D visualization. In order to map and model even more applications, immersive technologies are being increasingly deployed which allow participants to enter the virtual scene directly, interact with it and simulate use of the product in a very realistic way.

Marketing Solutions

Marketing departments benefit from visualizations of the initial product development stages as they enable them to start planning their sales promotion strategy at a very early stage. In order to prevent discontinuities in media and data, RTT supports customers in the design and implementation of their campaigns. Appropriate marketing applications and material suitable for the target market are employed to place the product's USP in an effective and emotional setting. Customer budgets also benefit as the use of a 3D realtime model largely dispenses with the need for resource-intensive production processes.

Interactive Sales Solutions

The Interactive Sales Solutions team provides the entire range of marketing tools customers require to effectively present products at the point of sale or to generate an emotional brand launch. 3D visualization paves the way here in particular for virtual sales promotions, personalized customer targeting, product interaction and employee training - on site, at organized events or on the web. The use of 3D content in sales applications such as product configurators, offers end users the chance to back their purchase decision with the largest possible degree of individualization in the configuration process.

Enterprise Data Management und Process Consulting Solutions

This area forms the core to RTT's entire production pipeline with its principle of data consistency. Upstream pre-processing of design data is the foundation of intelligent data handling, thereby ensuring synergistic and thereby highly efficient data handling. In this way, data streams and visualization are transformed into an integral component of the company's activities, enabling the optimization of all phases of the product lifecycle.

CGI (Computer Generated Imagery)

As a full service provider, RTT produces one-stop digital 3D content in superior visual quality: from the design stage, to processing the data, production (of images, films and animations) and finally to the implementation of individual applications for the various touch points and channels of communication. Intelligent data handling enables visualizations to be quickly and easily adapted, enabling the flexible and short notice production of application-related CGI content.

2. AIMS AND STRATEGIES

RTT is much more than a producer of software, advisor or creative service provider. With RTT companies gain a strategic partner assisting them in deploying high-end 3D visualization innovatively and efficiently to achieve sustainable success. This claim is firmly embedded in the company's mission statement as its top priority.

RTT AG pursues a dedicated growth strategy and focuses on existing customer segments, as well as on new industries in the process. The company works continuously to extend the growth path it has pursued for years, within each region. The strategy hinges on rigorously tapping into new potential in the field of solutions and creative services, with the aim of further extending the company's market leadership.

The focus remains on expanding strategic areas of growth at a global level. The American market has seen pleasing growth in the last two years in particular, and the local position in the market has been strengthened. Additional growth opportunities have been exploited. Constant expansion of its worldwide service and sales business will ranks as one of the priorities the company pursues.

Further digitalization within the product lifecycle

RTT helps companies to fill all their communication channels with different content and product messages at short notice as part of their sales strategies. This opens up potential to address customers on a more emotional level and to win new sets of buyers with creative brand messages.

Innovations

A strong positioning as a reliable, sought-after partner offering customers tailor-made solutions and the best possible support - these are the foundations for successful, sustainable growth. The objective is to continue to fulfill this ambition and to strive for continual improvement. Further details on the company's innovative activities are presented in Section »A 4 Research and Development«.

Refinement of solutions based on technological trends

With its cutting-edge solutions, RTT addresses trends such as the further automation of the process chain, cloud rendering, mobile solutions and process optimization which are radically altering the demands made by industry and by customers. The increasing complexity of both products and projects, together with new challenges with regard to networked infrastructures - these are the issues demanding answers. The declared aim is to give customers the tools they need to make the best possible use of resources.

In the last few years, RTT has won a prestigious customer base from a wide variety of sectors. The sales split for the Group for 2013 shows the following picture:

SECTOR	2013	2012
Automotive	83 %	81 %
Aviation & Transport	5 %	4 %
Consumer goods	4 %	7 %
Others	8 %	8 %

3. MANAGEMENT OF THE COMPANY

The geographical regions made up of Europe, the Americas (North and South America) and APAC (Asia Pacific) constitute the operating segments of the RTT Group. The »Europe« segment comprises the activities of RTT AG as well as RTT BeNeLux and RTT B.V. The »Americas« segment consists of RTT USA, Bunkspeed and RTT Brazil and the APAC region includes RTT China, RTT Japan and RTT Korea. As part of the internal reporting system reports on individual markets are sent to the Managing Board as the main decision-makers.

Management of the company is conducted at the level of the reporting segments and on the basis of the Software, Solutions and CGI divisions, whereby the LOBs are playing an ever more important role alongside the divisions in wider considerations. At an operational level, the combination of strong integration of national organizations in local markets and global account management for major customers represents a significant strength.

The management of the company is based on the strategy agreed by the Management and Supervisory Boards. This strategy comprises the positioning of the product and services portfolio, as well as sales and income expectations. Group guidelines and annual targets for the subsidiaries and LOBs are derived from the strategic objectives. Annual budgets, sub-targets and short to medium-term planning are all set with the agreement of the Supervisory Board.

Operational management is the responsibility of the Managing Board. Business growth, financial indicators and budget v. actual comparisons for individual segments are discussed with the management of the relevant subsidiaries.

Financial control key performance indicators

Group targets are monitored throughout the year on the basis of a group-wide management information system with detailed reporting of key performance indicators. Sales or sales growth and the EBIT margin are central financial control indicators. In this context, EBIT is calculated as the result of ordinary operating activities plus the net financial result.

Non-financial control key performance indicator

The success of the company is strongly dependent on its employees. RTT AG's challenge is to recruit qualified staff as part of its growth course, while at the same time countering any rise in the natural turnover of staff with offers of further training, additional benefits and attractive remuneration packages. For this reason, changes in the number of employees are employed as a central non-financial control indicator for the review of the financial year. The human resources department tracks this figure for RTT AG and for the whole Group.

4. RESEARCH AND DEVELOPMENT

As a leading supplier of visualization solutions focusing on the entire product lifecycle, the Group attaches great importance to improving and expanding its product range. RTT can only continue to drive sales growth by constantly developing new products and refining existing ones. Software releases form one of the priorities of development activities. With regard to its range of products, RTT significantly enhanced all relevant functionalities and performance areas in 2013.

Looking back, RTT invested a total of EUR 10.9 million (previous year: EUR 9.9 million) in research and development in the financial year 2013. Of this amount, EUR 1.5 million was capitalized in the financial year under review for software produced by the company (previous year: EUR 2.6 million). Resources inside the Group were mainly tapped for this purpose and third-party services only to a limited extent. The Group employed an average of 120 members of staff in this section in the parent company over the course of the year (previous year: 107).

Software development

The modular RTT visualization platform is designed to give sustainable shape to workflows and processes, to raise collaboration between the various departments to a new level of efficiency and to make maximum use of synergy effects. This applies as much to our customers' processes as to our own - not least in order to ensure their practicability.

In the first half of 2013, software development worked hard on the new DeltaGen Version 12.0 which was released in September 2013. The version offers 60 new features and extensions which make the visualization process for users in the Enterprise division even more professional. DeltaGen has always offered numerous synergies and efficiency benefits for a wide variety of interest groups. In particular, the extension of the »One tool, one source, multiple use" principle enables a broader range of applications to be covered. As a result, DeltaGen 12.0 allows users from all parts of the value added chain to cooperate more closely, enabling them to work within a single tool. The new version develops this trend, while extending the range of the product even further.

The core themes of the 12.0 release and the 12.1 update launched in December 2013, are:

- visual extensions allowing users to generate many emotional effects in the scene,
- further optimizations in the workflow, i.e. generating visually valuable and realistic visualizations even more efficiently,
- enriching DeltaGen scenes with complex behavioral aspects,
- integrating Bunkspeed into the software portfolio.

Technological innovations and trends

In its role as a strategic partner, RTT offers its customers sophisticated, mature technologies, and it is working on promising technological trends, in some cases in collaboration with other companies. One important subject in 2013 was the trend towards »mobile availability« through app-based applications which allow even »non-experts« to handle visualization data with ease, thereby enlarging the circle of users. RTT is servicing this market with its applications »Xplore PictureBook 7.1« and »Xplore DeltaGen 12.1«. Both applications use tablets as the central platform. PictureBook Xplore allows 3D data to be distributed, viewed and interacted with based on tablets. Xplore DeltaGen, on the other hand, supports simple remote control of a realtime scene, e.g. during a design review. Collaborative workflows run by several users are thereby better supported, while each user maintains control and overview of their own development status.

Role as innovator

SSince October 2013, RTT has been supporting innovation and interoperability by signing up to the Code of PLM Openness. The Code of PLM Openness (CPO) is an initiative of the ProSTEP iViP Association with the aim of establishing a uniform understanding of the »openness of IT systems in the context of PLM« for customers, suppliers and service providers in the IT sector. The CPO therefore extends far beyond the demand for IT standards and associated interfaces. It lays down measurable criteria for the following areas: interoperability, infrastructure, functional extensibility, interfaces, standards, architecture and partner relationships.

RTT welcomes this initiative for agreeing a common definition for »openness« within the PLM community and thereby helping to bring customers, vendors and service providers together. Integrated, secure management of visualization data, support for open standards and interfaces - these are the basic requirements for effectively exploiting the power of visualization across all departments and between partners, opening the way for considerably enhanced collaboration, exchange of knowledge and reusability. For these reasons, RTT is convinced that the CPO will contribute towards promoting common understanding on the subject of openness and interoperability within the PLM community.

With its DeltaGen programming interface (SDK), RTT met a significant prerequisite for supporting the standard. After trials, this interface with DeltaGen Version 12.0 is also available for partners and customers in order to meet the rising demand for a wide variety of application scenarios. Providing a software development kit (SDK) is a logical step towards adapting the software to individual needs and workflows, enabling efficiency gains to be made on a very individual basis.

1. OVERALL ECONOMIC CONDITIONS

According to the International Monetary Fund (IMF), the world economy grew by 3.3 percent in the financial year elapsed. The main drivers of this growth are USA, China, emerging countries in Asia and sub-Saharan countries whose economic power is set to grow further in the future. In Europe, on the other hand, gross domestic product (GDP) stagnated.

After a weak start to 2013, the first half of the year saw faltering growth. Although the situation on the financial markets calmed down, the Eurozone remained in a recession, and the uncertainties of the previous year had left their mark. That was one of the reasons why the International Monetary Fund (IMF) scaled down its growth forecasts for numerous industrial nations. A slight recovery was experienced in the second half of the year thanks to the economies in North America and Asia. Nevertheless the sparks of the recovery failed to catch light in Europe.

Growth in the German economy in 2013 was the weakest since the year of recession in 2009. GDP increased by 0.4 percent as announced by the Federal Office of Statistics. In 2012 the economy had managed a plus of 0.7 percent and in 2011 even 3.3 percent. The German economy suffered from the continuing recession in some European countries and the sluggish pace of worldwide growth. Strong domestic demand was hardly able to make up for this.

The EU Commission also lowered its growth forecast in the course of the year. Overall, the Eurozone economy contracted by 0.4 percent in 2013 as announced by Eurostat. The economy is not expected to pick up again before 2014.

2. BUSINESS DEVELOPMENT

Business growth in the first half of 2013

After the first six months of the financial year 2013, RTT was able to look back on positive developments in all segments: Every region lifted its sales, while North America in particular posted above-average growth of 58 percent.

Group sales rose by 25 percent by comparison with the same period in the previous year, reaching EUR 41.5 million. EBIT experienced a slight decline, down from EUR 2.9 million to EUR 2.3 million. RTT AG which is largely responsible for results in Europe, succeeded in posting double-digit sales growth of 12% in the first half of the year. In addition, both RTT AG and the whole group committed targeted investments to staff and fixed assets in the first half of the year in order to secure future growth.

In retrospect, the first half of 2013 proved to be the strongest six months in sales terms since the inception of the company. As well as a healthy share of new business, the long-term collaboration with existing customers, regularly fueled by innovations, made the most significant impact. Here, digitalization and virtualization are helping customers to implement their communication and multi-channel strategies in in line with their brands and reaching their specific target markets.

Business growth in the second half of 2013

In the second half of the year, the Group succeeded in maintaining its positive sales growth from the first half in APAC countries and the Americas. Sales in the Americas grew significantly by 32 percent over the whole financial year. Sales in APAC increased by 9 percent in comparison to the previous year. In this context it should be pointed out that this result was obtained in spite of the heavily negative currency translation effects caused by the Japanese Yen.

However, RTT AG and consequently Europe as a region were unable to maintain the positive trend from the first half of the year. In the final - traditionally very strong - quarter, the segment did not manage to achieve the anticipated sales. This is, among other reasons, due to the fact that the clouded economic situation in the Eurozone had a noticeable effect; orders from regular German customers flattened off and new projects were postponed. Furthermore, the investments made in new industries, business areas and alliances did not generate sales as quickly as had been originally assumed.

RTT also continued its drive to exploit new potential. In order to place the APAC region in a better strategic position for the future, RTT Japan K.K. sold its shares in CAD Reality Ltd. with effect from August 30, 2013. In order to further strengthen its position in the North American region, RTT AG reached agreement with the minority shareholders of Bunkspeed Inc. in the autumn of 2013 for the transfer of all outstanding shares and options. As a result, Bunkspeed Inc. with its head office in Encinitas, USA, is now a wholly owned RTT subsidiary.

With respect to the entire financial year 2013, we succeeded in posting double-digit consolidated sales growth of 10 percent as forecast in the previous year. At RTT AG, on the other hand, we achieved sales growth of 7% which was slightly below expectations. This is, among other reasons, due to the developments in the second half of the year already mentioned. However, due to the investments made, in particular the increase in staff levels and the resultant increase in the cost base, we were unable to maintain EBIT growth in the double-digit range as forecast either in the Group (+4% in 2013) or at RTT AG (-7% in 2013).

3. POSITION OF THE AG AND THE GROUP

a. Assets, financial and earnings position, individual financial statements

RTT AG's sales for the financial year 2013 amounted to EUR 47.8 million (previous year: EUR 44.8 million) in accordance with HGB (German Commercial Code). This corresponds to growth of 7% by comparison with 2012. Earnings before taxes and interest came in kEUR 6,542 lower than in the previous year, falling to kEUR -2,998. The strong decline in EBIT is mainly due to the investments in staff made in the first half of the year and the resulting increase in the cost base. The fourth quarter, in particular, was unable to match the sales growth shown in the past. Taken together with the rise in the cost base, this development had a major effect on the company's results.

I. Earnings position

The main financial performance indicators used to manage RTT AG and the RTT Group are sales, sales growth and the EBIT margins.

KEY EARNINGS POSITION INDICATORS	2013	2012
Sales	47,8 m. EUR	44,8 m. EUR
Sales growth	7 %	27 %
EBIT margin	-7 %	7 %

The ratio of goods and services purchased to total sales in 2013 stands at 17.2% which is slightly below the level of the previous year (previous year: 20.5%) and is caused by the build-up of additional internal resources reducing the need to use external service providers. The rise in staff costs of kEUR 5,594 is mainly due to the increase in the number of employees. The increase in other operating expenses, by kEUR 2,197 derives from a rise in rental, building conversion, marketing and external service costs, among other factors. The -7 percent EBIT return reflects a year-on-year decline. The net result year fell from kEUR 2,934 to kEUR -3,911.

II Financial position

Key financial position indicators

The cash flow from current operating activities fell by comparison with the previous year and stood at kEUR -7,035 in the financial year. The cash flow from investment activity rose from kEUR -5,560 (previous year) to kEUR -1,117 and the cash flow from finance activity increased from kEUR -157 (previous year) to kEUR 1,019. As of the reporting date, the company has liquid assets and current asset securities of kEUR 5,021 (previous year: kEUR 12,155). Operating cash flow fell as a result of the reduction in the net result for the year.

III. Assets position

Total assets as of December 31, 2013 amount to kEUR 44,528 following kEUR 46,626 as of December 31, 2012. The fall is caused mainly by the intra-group sale of shares in Bunkspeed Inc. to RTT USA. Property, plant and equipment was up by 5 percent to kEUR 3,561 due to further investments in employees, and consequently in operating and office equipment. Trade receivables were up by 30 percent to kEUR 10,078 (previous year: kEUR 7,738). This is attributable to a one-off effect in the previous year. Trade payables fell to kEUR 2,601 as of December 31, 2013 (previous year: kEUR 3,048). This is attributable to a lower level of expenses for services provided by third parties. As in previous years there are no significant bank loans or overdrafts.

KEY ASSETS POSITION INDICATORS	2013	2012
Current asset intensity	73 %	71 %
Equity ratio	66 %	70 %
Debt ratio	34 %	30 %

Current assets remain the largest component of assets with 73%. The capital structure of liabilities is made up of 66% equity and 34% borrowings. This is roughly in line with the previous year. We refer to the notes for further details of shareholders' equity.

b. Assets, financial and earnings position, consolidated financial statements

The consolidated financial statements of RTT AG for the financial year 2013 were prepared in accordance with IFRS.

I. Earnings position

Sales for the RTT Group in the financial year 2013 amounted to EUR 81.1 million (previous year: EUR 73.7 million) in accordance with IFRS. This corresponds to growth of 10% by comparison with 2012. Earnings before taxes and interest fell significantly by 56% to kEUR 3,098 in the reporting year. Measuring earnings in relation to the capital invested or the sales achieved, results in the following key ratios:

KEY EARNINGS POSITION INDICATORS	2013	2012
Sales	81,1 m. EUR	73,7 m. EUR
Sales growth	10 %	34 %
EBIT margin	4 %	9 %

Both the EBITDA margin of 9% and the EBIT margin of 4% fell by comparison with the previous year. The decline in the margin is also due at Group level to the investments made and to the resulting rise in the cost base by comparison with the previous year and to the disproportional rise in sales. Europe in particular - as already described - was not able to meet its sales and margin targets. In the Americas and APAC regions, the positive growth from the previous financial year was maintained. In these regions sales grew significantly by 32% and 9% respectively. The net profit for the year fell from kEUR 5,133 to kEUR 82.

The ratio of goods and services purchased to total sales in 2013 stands at 13%, which is slightly below the level of the previous year (previous year: 15%). In the Group too, the rise in staff costs of kEUR 8,826 is mainly due to the increase in the number of employees.

II. Financial position

Key financial position indicators

The cash flow from current operating activities fell markedly by comparison with the previous year and stood at kEUR 2,757 as of December 31, 2013 (previous year: kEUR 9,783). The cash flow from investment activity rose from kEUR -7,099 (previous year) to kEUR -5,320 and the cash flow from finance activity increased from kEUR 3 (previous year) to kEUR 448. As of the reporting date, the company has liquid assets and current asset securities of kEUR 13,190 (previous year: kEUR 15,547). Operating cash flow fell as a result of the reduction in the consolidated net result for the year.

III. Assets position

Total assets as of December 31, 2013 amount to kEUR 55,241 following kEUR 54,832 as of December 31, 2012. This is caused among other things by growth-induced investments in intangible and tangible assets. Tangible assets rose by 13% to kEUR 6,030. The rise in trade receivables of 7% was almost proportional to the growth in sales and on the reporting date they stood at kEUR 23,596 (previous year: kEUR 22,134). As of the reporting date, the company has liquid assets and current asset securities of kEUR 13,190 (previous year: kEUR 15,547); trade payables fell and amount to kEUR 3,849 as of December 31, 2013 (previous year: kEUR 4,509). As in previous years there are no significant bank loans or overdrafts in the RTT Group.

KEY ASSETS POSITION INDICATORS	2013	2012
Current asset intensity	72 %	72 %
Equity ratio	63 %	64 %
Debt ratio	37 %	36 %

Current assets remain the largest component of assets with 72%. The capital structure of liabilities is made up of 63% equity and 37% borrowings. We refer to the notes to the consolidated financial statements for further details of shareholders' equity.

4. STAFF

Employees have a major influence on the success of the company. In all the core areas, Software, Solutions and CGI, it is a major challenge to find qualified staff to maintain the company's growth. For this reason, the number of employees represents a central, non-financial management indicator which is monitored as part of ongoing management reporting.

As of December 31, 2013 the RTT Group employed 769 staff worldwide. This corresponds to a rise in staff of 12 percent over 2012. On average for the year, the RTT Group had 753 employees from over 38 countries (previous year: 627). The rise in the number of emploees is due to a targeted strategy to build staff levels in order to sustain the growth of the company.

DISTRIBUTION OF EMPLOYEES BY REGION (AS OF: DECEMBER 31, 2013)	**2013**	**2012**
Europe	556	512
North America	167	151
South America	8	6
Asia	38	20

At the end of the year RTT AG employed 528 staff (previous year: 488). Of these, 130 were employed in Professional Solutions (previous year: 121), 118 in Research and Development (previous year: 113), 42 in Sales and Marketing (previous year: 45), 194 in Content Production (previous year: 178) and 40 in administration (previous year: 31) and there were 4 trainees (previous year: 2). The fluctuation rate in 2013 stood at 9 percent overall.

Some 34 percent of employees in the RTT Group were employed outside Germany (previous year: 32 percent). As of the end of the year, the RTT Group employed 123 people in Research and Development (previous year: 117), 155 in Professional Solutions (previous year: 145). 67 were employed in Sales and Marketing (previous year: 71), 334 in Content Production (previous year: 296) and 86 in administration (previous year: 60) and 4 trainees (previous year: 2) employed in the commercial departments. These trainees have a good chance of being taken on once they have finished their training.

Employee motivation

The success of the company would not have been possible in the past, nor will it be in the future, without highly qualified and motivated employees. RTT focuses on encouraging the strengths of every employee and on promoting responsibility and self and co-determination. This strengthens motivation and loyalty to the company, as well as enhancing the quality of the work performed as a precondition for the success of the business.

Further training and certification

Consequently, our aim is to develop the technical and personal strengths of every single employee and to communicate a holistic understanding of the entire company. The spectrum of further training events ranges from specific technical and methodological training, through to foreign languages and soft skills offers to management training, individual coaching and team-building workshops. The opportunities on offer were proactively communicated for the first time in 2013 via the regular dispatch of a newsletter; initially sent to managers and since the end of the year to all emploees at European locations in order to increase awareness of the range of training available in the company.

Priority was also given to the subject of »certification courses« in 2013. The background to these efforts is the concept that employees with certifications are demonstrably more positively received by customers and seen as being more highly qualified. In this context the relevant areas for certification were defined in advance such as project management or software architecture. The courses on offer were categorized on the basis of existing seniority to allow specific training or certifications to be targeted at defined categories of employees.

Encouraging young talent

Due to the company's consistently high rate of growth and the partially very specific job profiles this entails, the idea of establishing a two-year trainee program was first conceived in 2012. The situation that prompted this step is the fact that there are few candidates on the market holding the relevant special knowledge and experience of the visualization sector which RTT needs. The idea of offering a special training course arose against this background. The first course started in May 2013 with four trainees who pass through the various 3D visualization areas during the program. The trainees also spend time at one of the company's locations abroad in order to round off the program.

Remuneration and benefits

Employees' total remuneration is made up of a fixed element not related to performance (basic salary), and a variable, performance-related component (bonus), which is evaluated and re-defined every six months. Depending on the location, there are various special benefits too, e.g. contributions to the company pension scheme, subsidies for canteen meals, company sport and medical benefits such as flu vaccinations.

SUPPLEMENTARY REPORT

At the end of the financial year 2013 there were three significant events that are relevant to the supplementary report.

Acquisition of RTT AG by Dassault Systèmes S.A.

On January 13, 2014, Dassault Systèmes S.A., through its indirect subsidiary 3DS Acquisition AG, completed the takeover of a majority interest of 84 percent in Realtime Technology AG. As the result of the public takeover offer for the outstanding shares of RTT against EUR 40.00 in cash per share, the investment of 3DS Acquisition AG was increased to an approximately 93 percent majority interest as of the date when the combined management report was submitted.

Capital increase through option program

RTT's share capital was increased by EUR 300,000.00 on February 11, 2014 from EUR 4,480,070.00 to EUR 4,780,070.00. The share capital is now divided into 4,780,070 registered shares. The rights issue was conducted in return for cash capital contributions whereby shareholders' subscription rights were excluded.

Changes to RTT's Management Board and Supervisory Board

Monica Menghini, Executive Vice President at Dassault Systèmes, was appointed to RTT's Managing Board on January 22, 2014. On February 27, 2014, RTT and Dassault Systèmes S.A. announced the appointment of Roberto Schettler to be the CEO of the RTT Group. Roberto Schettler has been a member of RTT's Managing Board since August 2010. Ludwig A. Fuchs, RTT co-founder and Managing Board member, relinquished his post with effect as of March 1, 2014.

After the previous Supervisory Board members had relinquished their mandates, Bernard Charlès, Dr. Mario Ohle, Andreas Barth, Didier Gaillot, Philippe Laufer and Samia Sellam were appointed by the court to the Supervisory Board as of March 13, 2014.

1. RISK REPORT

As well as securing its continued existence both as an individual company and as a corporate group, RTT AG's risk policy is aimed at achieving the company's financial and strategic goals. Effective risk management ensures that potential risks are identified and minimized at an early stage. The risks described are equally applicable to all segments.

a. Risk management

Entrepreneurial activity and the business operations of the RTT Group involve risks. A risk management system is used to detect entrepreneurial risks at an early stage, to measure them and to handle them correctly.

The aim is to analyze possible factors with regard to their risk potential in advance, to recognize changes to risk situations and to counteract negative developments.

Identification, measurement and control of risks

The general responsibility for identifying risks early and if necessary for taking steps to counter them, lies with the Managing Board. The chief executives of the subsidiaries and the management teams of the LOBs support the board in performing its duties. The measurement, evaluation and reporting of risks are carried out as part of the management reporting system. In addition the Supervisory Board is kept informed on a regular basis.

The Group's risk position is regularly documented and updated in the course of the designated sponsoring process using guidelines issued by Deutsche Börse. The regular reporting process is conducted every four weeks in accordance with transparency requirements and the rules of Frankfurt's Entry Standard, whereby the focus is on identifying significant circumstances requiring assessment. The Group's overriding risk management focuses on the unpredictability of developments on the financial markets, and is aimed at minimizing any potentially negative effects on the Group's financial position.

The main risks which might bring about a significant change in the RTT Group's financial position, lie in the market and industry environment which are monitored within the stringent monitoring process. The risks listed below are countered by taking appropriate precautions and by means of insurance.

b. Risks

RTT AG faces medium to long-term strategic risks which may present corresponding challenges. They relate to changes in factors governing the business environment and the market, competitive conditions, technical refinements and management processes such as development, marketing, organizational and control processes. There are also operational risks which are to be seen more as short-term risks and which may arise due to a naturally changing market environment, inadequate and faulty internal processes and systems or human error. The result might be to impair the capabilities of the companies or the substantive value of their assets.

Classification allows the risks to be presented according to their relative importance. This importance is calculated from the event probability and potential impact in relation to the attainment of forecasts or targets.

Economic instability with regard to the world economy and the markets

RTT is a global enterprise and active in different markets whose economies could enter recession or encounter a crisis due to possible cuts in state spending, new financial legislation to limit spending and debt, high rates of unemployment or natural catastrophes or conflicts.

One major risk which could bring about a significant change in the RTT Group's financial position, is the strong dependence on the health of the automotive industry, and needs to be seen in the direct context of a marked change in the demand situation. However, positive growth in the automotive industry, shorter innovation cycles and an increase in model diversity also offer further potential for growth.

In the past, the company has been able to maintain growth even in the tough economic environment of the financial crisis and its effects (recession, etc.). Equally, any positive development in the economic conditions could promote further growth. For this reason we do not think this risk would have a major impact. Due to the positive trend shown by global economic growth so far in 2014, we regard the probability of occurrence as moderate.

Technological, product and marketing risks

Possible specific risks for the company might result from structural changes to the relevant market and technological environment. The company sees itself as the technology leader and as such it is setting the trends in the refinement of 3D realtime visualization - both with regard to the presentational quality achievable and with respect to process integration and the usability of different platforms. This aspiration is associated with the possible risk of marketing products and technologies too early. Structural shifts and revolutionary technological changes cannot be ruled out and they can change the situation fundamentally. We regard the probability that this risk will materialize as moderate in view of the prevailing conditions.

Investing in new products and technologies as well as in new areas of application remains part of the company's strategy. The extent to which this will bring direct returns, is subject to the risks outlined above and can only be estimated at the outset. For this reason, this risk is classified as moderate.

Security problems in IT

These risks are counteracted by the implementation of relevant features in IT (e.g. by using the latest software technology) and by taking out appropriate insurance. Beyond this the guidelines, rules and measures contained in the IT security policy take effect. As software suppliers we rate this risk as moderate - due to the relevance of the subject for our customers and users. Taking into consideration the measures implemented, we regard the probability of occurrence as low.

Staff

Recruiting highly qualified employees is of greatest importance to RTT AG. If several employees in key positions were to leave the company within a short space of time, this could affect the company's development and incur negative consequences for the assets, financial and earnings position.

The damage resulting from a high turnover of staff would have a lasting negative effect on the business and is therefore classed as high. As the relevant staff training and qualifications programs are very well received, appreciated and intensively utilized by the staff, this risk is seen as correspondingly low.

Foreign currency risko

RTT AG is not exposed to any significant foreign currency risks. Group companies mostly conduct their operational activities in the functional currency of the particular company. Foreign currency risks for individual local companies only result from intra-group set-offs which have no relevance for Group results. The probability of the risk occurring is classed as low.

Interest rate risk

Due to the low level of interest-bearing debt, the Group is only exposed to a low risk from the fluctuation of market interest rates. On the assets side, the interest income from the investment of liquid assets is subject to the risk of changing interest rates. The risk is minimized by the use of fixed minimum rates and the variable rates applied to securities. The probability of occurrence is classed as low.

Credit risk

RTT AG is exposed to the risk of default in its operational business, if contractual partners fail to meet their obligations. Constant monitoring of receivables minimizes any risks of default. Due to fact that the company works with very large groups, the risk and the probability of its occurrence is seen as low.

Liquidity risko

The liquidity risk is monitored on the basis of weekly liquidity planning. Cash flow forecasts are drawn up at the level of the operating companies and summarized in the Group. Management monitors the rolling advance planning of the Group's liquidity reserves to ensure that there is sufficient liquidity available in every group company, and the possible occurrence of a risk is minimized. The probability of a risk materializing is therefore seen as low.

There have been no significant changes to the assessment of risks by comparison with the previous year. Taking into account each probability of occurrence and the potential financial effect of the risks determined, and on the basis of the insights gained from operational planning, no serious risks to future growth have been currently identified which individually or in interaction with other risks could endanger the growth and continued existence of the company.

2. OPPORTUNITIES REPORT

The RTT Group operates in a global environment, characterized by numerous opportunities which present themselves to the company. The early recognition and rigorous pursuit of these opportunities are of material importance for the success of the business and for growth. The exploitation of achievable opportunities taken together with the avoidance of needless risks, are and remain prerequisites of adhering to the path of sustainable and profitable growth.

Opportunities comprise on the one hand factors and trends such as the growing number of potential customers due to the positive growth of emerging markets. But on the other, they also result from the company's own potential which, if exploited, can have a positive effect on the success and growth of the company. Examples of this potential would be expanding the portfolio with regard to applications in design and development, marketing/sales and creative services and also the high level of qualifications possessed by staff members.

Classification allows the risks to be presented according to their relative importance. This importance is calculated from the event probability and potential impact in relation to the attainment of forecasts or targets.

From the company's perspective, the decisive drivers of growth remain unchanged:

- **advancing digitalization as a result of growing pressure for efficiency in product development and product marketing, above all for globally designed sales and marketing activities,**
- **exploitation of further efficiency benefits resulting from the drive for automation within the product lifecycle,**
- **digital presentation and positioning of brands and brand content to provide differentiation from competition and to meet consumers' desire for individualization,**
- **refinement of solutions based on technological innovations,**
- **opening up new sectors of industry to the world of 3D visualization within triad countries.**

Work with existing customers will also be intensified. Our customer base, with numerous customers of many years' standing, trust our end-to-end services in which the ability to innovate, creativity and an »out-of-the-box« approach play a major part.

Drawing on its many alliances, RTT is capable of opening up individual business areas more systematically and more thoroughly, as well as offering suggestions for refining solutions and generating further opportunities for growth. Additional factors that are gaining increasing importance regardless of the sector, include:

- **scalability of applications and content for omni-channel strategies,**
- **expansion of functionality in conjunction with different technologies such as the multimedia use of mobile terminal devices,**
- **expansion of strategic growth areas at a global level in collaboration with Dassault Systèmes,**
- **further division and sharing of work and collaboration around the world as a result of takeover by Dassault Systèmes.**

The targeted merging of RTT's and Dassault Systèmes' portfolios will further promote the substantive value and importance of high-end 3D visualization solutions in the future. Combining their powers will modify the product range for the entire product lifecycle and further expand it across many different sectors. 3D presentation not only revolutionizes the respective worlds of experience, far more, products can also be brought within consumers' reach in a totally new way, making purchase decisions for end users all that much easier and underpinning them on a very individual basis. Innovation processes will be changed in this way by the 3D EXPERIENCE from the initial idea through to provision of the finished product.

3. OUTLOOK FOR 2014

According to current estimates from the International Monetary Fund (IMF), the world economy will continue to pick up from the beginning of April 2014, while growth will be uneven. The new World Economic Outlook (WEO) calculates that the world economy will grow by 3.6 percent in 2014.

As far as the Eurozone is concerned, the IMF is more optimistic by comparison with the previous year. The OECD (Organization for Economic Co-operation and Development) states that the German economy grew by around 0.9 percent in the first quarter of 2014 (annualized: 3.7 percent), and 0.6 percent (2.5 percent) is forecast for the period from April to the end of June. The domestic market in particular can be expected to provide positive momentum for growth in 2014.

The relaxation of spending limits and the continuation of a very loose monetary policy in the industrial countries are expected to lead to a rise in gross domestic product (GDP) of 2.2 percent in 2014. The IMF expects to see strong growth in USA with a GDP plus of 2.8 percent.

Due to the fact that around 80 percent of sales are generated in the automotive industry, it is also essential to keep a constant watch on the economic trends and sales developments in this sector. In this regard we view the current financial year 2014 with confidence.

The Automotive Industry Association (VDA) is expressing optimism for 2014 and forecasts growing demand in China and USA, as well as a recovery for the European market. According to their forecast China should achieve growth of around 7 percent (= 17.1 million cars sold); demand in USA should reach 15.9 million cars (not including SUVs and trucks). Demand will also increase in important markets such as India, Russia and Brazil by between 2 and 7 percent.

Western Europe is en route for recovery with a forecast of 7 percent growth. German car manufacturers will produce almost 14.7 million cars worldwide, 5.47 million of them at home. The number of cars around the world will increase by 3 percent to 74.7 million according to the Association.

The RTT Group posted very positive growth figures in 2013, especially in the APAC and AMERICAS regions, and thereby came closer to achieving its target of strengthening its presence in triad countries. By the end of 2014, RTT - with Dassault Systèmes in the background - will be pulling together to improve its positioning in individual segments. Particular emphasis will be given to refining their joint product range. More in-depth penetration of the industries so far serviced by RTT (incl. automotive, aviation and transport), but also diversification beyond these sectors will play important roles.

In view of the prevailing conditions we expect to be able to continue the current growth course, and we expect to be able to significantly increase sales in the next financial year, as we did in the previous years. In the process, it remains our goal to further expand our global presence. Due to the investment in new staff already made in the financial year 2013, we expect the number of employees to show only slight growth for 2014. On the basis of the assumptions specified with regard to sales and staff growth, we also expect a significant improvement in the EBIT margin compared with the financial year elapsed.

ACCOUNTING-RELATED RISK MANAGEMENT SYSTEM AND INTERNAL MONITORING SYSTEM

Generally speaking, the risk management system and the internal monitoring system cover accounts-based processes, as well as all risks and checks with regard to the accounting. This relates to all parts of the risk management system and the internal monitoring system which could have significant effects on the consolidated financial statements.

The aim of the risk management system with regard to accounting processes is to identify and measure risks which might affect the conformity of the consolidated financial statements with the rules to be applied. Any risks identified must be measured and assessed with regard to their effect on the consolidated financial statements. The objective of the internal monitoring system is to establish sufficient certainty by putting checks in place to ensure that the consolidated financial statements adhere to the relevant rules in spite of the risks identified.

Both the risk management system and the internal monitoring system cover RTT AG as well as all the subsidiaries relevant for the consolidated financial statements together with all the processes which have a determining influence on the preparation of the financial statements.

Dual control principle and separation of functions as essential monitoring principles

Central elements of controlling risks in accounting are the allocation of responsibilities and checks for the preparation of the financial statements, group-wide specifications by means of guidelines for accounting treatments and preparation of the financial statements as well as appropriate rules of access to IT systems. The principle of dual control and the separation of functions are also important monitoring principles in the accounting process.

The essential characteristics of the internal monitoring system are as follows:v

- **clearly structured areas of responsibility and management by function and important areas,**
- **financial systems modeled in the form of standard software and protected from third party access by security or authorization concepts,**
- **group of individuals involved possess the right qualifications and receive continuous further training,**
- **data relevant for the accounts are regularly subjected to random tests to check that they are complete and correct.**
- **uniform and legal accounting ensured by having the financial statements of every company audited by the auditors**
- **regular internal reviews of subsidiaries.**

As a result of the controls in place, mistakes can be largely avoided or at least discovered and corrected. This ensures that the accounting meets statutory requirements. In addition, business transactions are uniformly and accurately recorded, recognized and measured, thereby ensuring that they are accessible on a reliable and pertinent basis. The Supervisory Board is regularly informed of the main risks identified for the RTT Group and of the efficiency of the risk management system and accounting-related internal monitoring system.

STATEMENT BY LEGAL REPRESENTATIVES

We affirm that to the best of our knowledge the consolidated financial statements in accordance with the applicable accounting principles give a picture of the Group's assets, financial and earnings position which reflects the actual circumstances, and that the development of the business including the operating results and the position of the Group are portrayed in the combined management report so as to give a fair reflection of actual circumstances, and that the opportunities and risks to the foreseeable growth of the Group are described.

Munich, June 4, 2014

Realtime Technology AG

The Management Board

Roberto Schettler Monica Menghini


BALANCE SHEET 31. DECEMBER 2013

KEUR	Anhang	31.12.2013	31.12.2012
Cash and cash equivalents	VI/6	9,487	8,437
Securities	VI/5	3,703	7,111
Trade receivables	VI/3	23,596	22,134
Other assets	VI/4	2,658	1,669
Total current assets		**39,443**	**39,350**
Tangible assets	V/1	6,030	5,333
Intangible assets	VI/1	9,243	9,065
Investments in associates	VI/2	-	617
Investments in subsidiraries		19	19
Other assets	VI/4	9	18
Deferred tax assets	VI/11	498	430
Total non-current assets		**15,798**	**15,482**
TOTAL ASSETS		**55,241**	**54,832**
Trade payables	VI/12	3,849	4,509
Provisions	VI/10	170	396
Bank borrowings	VI/14	313	492
Other liabilities	VI/13	9,216	7,908
Deferred income	VI/15	3,359	2,614
Current liabilities		**16,906**	**15,920**
Pension provisions	VI/9	229	368
Bank borrowings	VI/14	-	5
Other liabilities	VI/13	149	198
Deferred income	VI/15	579	817
Deferred tax liabilities	VI/11	2,427	2,352
Non-current liabilities		**3,384**	**3,740**
Subscribed capital	VI/7	4,480	4,419
./. Nominal value of own shares		-14	-14
Issued share capital		**4,466**	**4,405**
Capital reserve	VI/7	16,701	15,807
Other reserves	VI/7	13,784	14,678
Non-controlling interests			282
Total equity		**34,951**	**35,172**
TOTAL EQUITY AND LIABILITIES		**55,241**	**54,832**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME ANUARY 01 TILL DECEMBER 31, 2013BER

KEUR	Anhang	31.12.2013	31.12.2012
Revenues	VII/1	81,090	73,735
Own work capitalized	VII/2	1,549	2,586
Other operating income	VII/3	1,065	688
Cost of purchased materials and services	VII/4	-10,481	-11,248
Personnel Expenses	VII/5	-50,414	-41,588
Other operating expenditure	VII/6	-15,153	-13,292
EBITDA		**7,656**	**10,881**
Depreciation and amortization on intangible and tangible assets		-4,557	-3,879
EBIT		**3,098**	**7,001**
Finance income and costs	VII/7	-29	84
Share of (loss) / profit of associates	VI/2	0	-96
RESULT BEFORE TAX		**3,069**	**6,989**
Taxes on income and profit	VII/8	-2,987	-1,937
Annual surplus		**82**	**5,052**
Share of profit/loss of non-controlling interests		0	81
Net Income		**82**	**5,133**
Statement of comprehensive income			
Net Income		**82**	**5,133**
Items that may be reclassified to profit and loss in the future:			
Exchange rate differences		-950	-198
Valuation changes of afs-securities		-63	80
Items that will not be reclassified to profit and loss:			
Actuarial gain/losses		174	16
Other comprehensive income		-839	-103
thereof attributable to non-controlling interests		0	-5
Total comprehensive income for the year		**-757**	**5,030**
thereof attributable to non-controlling interests		0	86
Basic Earnings per Share	VII/9	0,02	1,17
Weighted average number of ordinary shares in issue (thousand)		4,431	4,393
Diluted Earnings per Share	VII/9	0,02	1,12
Weighted average number of ordinary shares in issue (thousand)		4,658	4,572

CASH FLOW CONSOLIDATED

		2013 KEUR	2012 KEUR
Net income		82	5,052
+	Depreciation	4,557	3,879
–/+	Gain/Loss from disposal of fixed assets	97	8
–	Paid income tax	-2,337	-733
–	Paid interests	-23	-55
+	Received interests	118	169
+/–	Increase/decrease in accruals	-364	268
–/+	Increase/decrease in trade receivables and other assets	-2,120	-5,151
+/–	Increase/decrease in trade liabilities	-660	623
+/–	Increase/decrease in other liabilities	3,788	5,517
+/–	Exchange-rate related and other non-cash related changes	-381	205
	Cash flow from continuing operations	**2,757**	**9,783**
+	Proceeds from fixed assets disposals	485	5
–	Payments for investments in fixed assets (without goodwill)	-5,602	-7,252
–	Purchase of shares in companies	-407	0
+/–	Exchange-rate related changes	205	148
	Cash flow from investing activities	**-5,320**	**-7,099**
+/–	Proceeds from / payments to company owners (purchase of own shares)	0	-280
+	Proceeds from capital increase and shareholder grants	727	150
+/–	Cash inflow/outflow from bank borrowings	-260	137
+/–	Exchange-rate related changes	-19	-4
	Cash flow from financing activities	**448**	**3**
	Changes in cash and cash equivalents	-2,115	2,686
+/–	Exchange-rate related changes in funds	-242	-103
+	Cash and cash equivalents at the beginning of the period	15,547	12,963
	Cash and cash equivalents at the end of the period	**13,190**	**15,547**

GROUP STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY

Purchase of non controlling interest	Issued capital	Capital reserve	Other reserves	Attributable to equity holders of the company	Non-controlling interests	Group equity
As per 01/01/2012	**4,384**	**15,499**	**9,920**	**29,803**	**368**	**30,171**
Capital increase	18	132	-	150	-	150
Consolidated net income	-	-	5,133	5,133	-81	5,052
Share option program	-	176	-	176	-	176
Change afs-securities	-	-	80	80	-	80
Actuarial gain/losses	-	-	16	16	-	16
Exchange differences	-	-	-193	-193	-5	-198
Sale of own shares	27	-	200	226		226
Purchase of own shares	-23	-	-477	-501		-501
As per 12/31/2012	**4,405**	**15,807**	**14,678**	**34,890**	**282**	**35,172**
As per 01/01/2013	**4,405**	**15,807**	**14,678**	**34,890**	**282**	**35,172**
Capital increase	61	667	-	728	-	728
Consolidated net income	-	-	82	82	-	82
Share option program	-	227	-	227	-	227
Change afs-securities	-	-	-63	-63	-	-63
Actuarial gain/losses	-	-	174	174	-	174
Exchange differences	-	-	-950	-950	-	-950
Sale of own shares	-	-	-	-	-	-
Purchase of own shares	-	-	-	-	-	-
Purchase of non controlling interest	-	-	-138	-138	-282	-420
As per 12/31/2013	**4,466**	**16,701**	**13,784**	**34,951**	**0**	**34,951**

FIXED ASSET SCHEDULE CONSOLIDATED AS PER 31. DECEMBER 2013

		ACQUISITION VALUESE				
		As per	Additions	Disposals	Changes in Cons. Basis	As per
Lfd Nr.		**01.01.2013**	**+**	**-**	**+ / -**	**31.12.2013**
I.	**Intangible Assets**					
1.	Internally generated Software developmen costs	8,317	1,549	0	-43	9,823
2.	Acquired concessions, Self-generated industrial property rights and similar rights and assets, as well as licences in such rights and assets	4,682	495	-10	-59	5,109
3.	Goodwill of Bunkspeed	1,530	0	0	0	1,530
II.	**Tangible Assets**					
1.	Other assets, property and equipment	14,288	3,558	-386	-247	17,213
	Total	**28,816**	**5,602**	**-396**	**-348**	**33,675**

		ACCUMULATED DEPRECIATION AND AMORTIZATION				
		As per	Additions	Disposals	Changes in Cons. Basis	As per
Lfd Nr.		**01.01.2013**	**+**	**-**	**+ / -**	**31.12.2013**
I.	**Intangible Assets**					
1.	Internally generated Software developmen costs	2,267	1,164	0	-29	3,402
2.	Acquired concessions, Self-generated industrial property rights and similar rights and assets, as well as licences in such rights and assets	3,196	672	-2	-51	3,816
3.	Goodwill of Bunkspeed	0	0	0	0	0
II.	**Tangible Assets**					
1.	Other assets, property and equipment	8,955	2,721	-308	-185	11,183
	Total	**14,419**	**4.557**	**-310**	**-265**	**18,402**

FIXED ASSET SCHEDULE

		NET BOOK VALUE	
		As per	**End of prev. Year**
Lfd Nr.		**31.12.2013**	
I.	**Intangible Assets**		
1.	Internally generated Software developmen costs	6,421	6,050
2.	Acquired concessions, Self-generated industrial property rights and similar rights and assets, as well as licences in such rights and assets	1,293	1,485
3.	Goodwill of Bunkspeed	1,530	1,530
II.	**Tangible Assets**		
1.	Other assets, property and equipment	6,030	5,333
	Total	**15,273**	**14,398**

FIXED ASSET SCHEDULE CONSOLIDATED AS PER 31. DECEMBER 2012

		ACQUISITION VALUES				
		As per	Additions	Disposals	Changes in Cons. Basis	As per
Lfd Nr.		01.01.2012	+	-	+ / -	31.12.2012
I.	Intangible Assets					
1.	Internally generated Software development costs	5,755	2,586	0	-25	8,317
2.	Acquired concessions, Self-generated industrial property rights and similar rights and assets, as well as licences in such rights and assets	3,506	1,204	0	-28	4,682
3.	Goodwill of Bunkspeed	1,530	0	0	0	1,530
II.	Tangible Assets					
1.	Other assets, property and equipment	11,122	3,461	-228	-68	14,288
	Total	**21,913**	**7,251**	**-228**	**-121**	**28,816**

		ACCUMULATED DEPRECIATION AND AMORTIZATION				
		As per	Additions	Disposals	Changes in Cons. Basis	As per
Lfd Nr.		01.01.2012	+	-	+ / -	31.12.2012
I.	Intangible Assets					
1.	Internally generated Software development costs	1,160	1,119	0	-12	2,267
2.	Acquired concessions, Self-generated industrial property rights and similar rights and assets, as well as licences in such rights and assets	2,646	575	0	-24	3,196
3.	Goodwill of Bunkspeed	0	0	0	0	0
II.	Tangible Assets					
1.	Other assets, property and equipment	7,082	2,186	-220	-92	8,955
	Total	**10,888**	**3.879**	**-220**	**-129**	**14,419**

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		NET BOOK VALUE	
		As per	End of prev. Year
Lfd Nr.		31.12.2012	
I.	Intangible Assets		
1.	Internally generated Software development costs	6,050	4,595
2.	Acquired concessions, Self-generated industrial property rights and similar rights and assets, as well as licences in such rights and assets	1,485	860
3.	Goodwill of Bunkspeed	1,530	1,530
II.	Tangible Assets		
1.	Other assets, property and equipment	5,333	4,040
	Total	14,398	11,025

I. GENERAL INFORMATION

Realtime Technology Aktiengesellschaft (referred to below as »RTT AG« or the »company«) is the leading one-stop provider of high-end software, consulting and creative services for professional 3D visualization. As a strategic partner, RTT offers sustainably effective and seamless process support with its comprehensive approach across the entire product life-cycle.

RTT AG was founded in 1999 as a stock corporation (Aktiengesellschaft) under German law. The company has its corporate headquarters in Munich, Germany, and is entered in the commercial register at Munich District Court under commercial register sheet number 125910. The company's business premises are located at Rosenheimerstrasse 145 in 81671 Munich, Germany.

The shares of RTT AG are listed in Deutsche Börse's Entry Standard (WKN/German Securities Code: 701220).

II. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

This set of consolidated financial statements of RTT AG for the 2013 financial year was prepared according to International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS), as approved and published by the International Accounting Standards Board (IASB), and their interpretation by the Standing Interpretations Committee (SIC) and the International Financial Reporting Interpretations Committee (IFRIC), and as applicable in the European Union. German commercial law regulations that are additionally applicable pursuant to Section 315a (1) of the German Commercial Code (HGB) were also complied with when preparing the consolidated financial statements. All standards which are valid for the 2013 financial year and which must be applied were taken into account, and result in the conveying of a true and fair view of the net assets, financial position and results of operations of RTT AG. The Management Board approved this set of consolidated financial statements for publication on June 4, 2014.

The accounting and valuation methods mentioned in Section IV were applied uniformly for the 2013 consolidated financial statements, as well as for the comparable period as of December 31, 2012.

These consolidated financial statements were prepared based on historic cost, except for available-for-sale financial assets measured at market value, and financial assets measured at fair value through profit or loss.

The consolidated financial statements are presented in euros (EUR), the functional currency of RTT AG. For reasons of ease of overview, the figures in the consolidated financial statements are presented in thousands of euros (kEUR), unless otherwise stated.

RTT AG has implemented all of the accounting standards that the EU has adopted and that require mandatory application from January 1, 2013.

In June 2011, the IASB published amendments to IAS 1 »Presentation of Financial Statements« (IAS 1 (2011)). Revised IAS 1 results in a revised presentation of the reconciliation of total comprehensive income for the period. The items of income and expenses, and gains and losses that are reported directly in equity are to be presented separately following the amendment to the standard. A differentiation should be made in this context between items that are never recycled to profit or loss (cannot be reclassified), and items that are recycled to profit or loss under certain conditions (can be reclassified). In addition, the corresponding tax effects must be allocated to these two groups. RTT has applied IAS 1 (2011) since January 1, 2013, and has adapted the reconciliation to the total comprehensive income for the period in the consolidated financial statements accordingly.

The amendments arising from the new version of IAS 19R (2011), Employee Benefits, modifies the treatment of defined benefit pension schemes and post-retirement benefits. The most important amendment relates to the accounting presentation of changes to defined benefit obligations and plan assets. The new regulation requires that changes to defined benefit obligations and to the fair value of plan assets are to be reported immediately when they arise. The »corridor« approach that has been possible to date on the basis of IAS 19 was abolished. Past service cost continues to be reported on an accelerated basis. All actuarial gains and losses are to be reported in other comprehensive income directly in the year in which they occur. As a consequence, the net pension liability or net pension asset shows the full shortfall or surplus in the balance sheet. In addition, the interest expense and the expected income from plan assets corresponding to the previous version of IAS 19 are now replaced by a net interest amount that is calculated by applying the discounting rate to the net liability or net asset of the defined benefit plan. The amendments to IAS 19 have no significant effect on the presentation of the net assets, financial position and results of operations of the RTT Group.

In December 2011, the IASB published an amendment to IFRS 7 »Financial Instruments: Disclosures« that requires disclosures to be made in the notes the financial statements in connection with certain offsetting agreements. The disclosure requirement is valid irrespective of whether the offsetting agreement has actually resulted in an offsetting of the respective financial assets and financial liabilities. This supplement must be applied retrospectively to financial years commencing on or after January 1, 2013. Initial application results in expanded disclosures in the notes the financial statements if financial assets have been offset with financial liabilities.

In May 2011, the IASB published IFRS 13 »Fair Value Measurement«. IFRS 13 sets out general regulations relating to fair value measurement in a separate standard. In addition, IFRS 13 creates effects on the consolidated financial statements, in particular. Supplementary information is required about the hierarchy levels of certain assets and liabilities, as well as additional notes concerning the calculation of fair value. RTT applies IFRS 13 from the 2013 financial year. Significant effects on the presentation of the RTT Group's net assets, financial position and results of operations have not arisen.

In May 2013, the IASB published amendments to IAS 36 »Impairment of Assets«. These amendments relate to clarifications and corrections to undesired changes concerning obligatory disclosures about recoverable amounts pursuant to IFRS 13. These amendments are to be applied retrospectively to a financial year beginning on or after January 1, 2014. The RTT Group made voluntary early adoption of these amendments in the current financial year in this set of consolidated financial statements.

The other accounting standards to be applied for the first time in the 2013 financial year have no significant effect on the presentation of the net assets, financial position and results of operations in the consolidated financial statements of the RTT Group.

The following standards and interpretations that the IASB has approved, reviewed or newly issued did not yet require mandatory application in the 2013 financial year:

STANDARDS	MANDATORY APPLICATION	ADOPTED BY EU
New version of IAS 19, Employee Benefits: Defined Benefit Plans – Employee Contributions	01.01.2015	No
New version of IAS 27, Separate Financial Statements	01.01.2014	Yes
New version of IAS 28, Investments in Associates and Joint Ventures	01.01.2014	Yes
Amendment to IAS 32, Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities	01.01.2014	Yes
IAS 39, The Financial Instruments: Novation of Derivatives and Continuation of Hedge Accounting	01.01.2014	Yes
Improvements to International Financial Reporting Standards 2012	01.07.2014	No
Improvements to International Financial Reporting Standards 2013	01.01.2015	No
IFRS 9, Financial Instruments: Classification and Measurement	Open	No
IFRS 9, Financial Instruments: Hedge Accounting	Open	No
Financial Instruments: Mandatory Effective Date and Transition Rules for IFRS 9 and IFRS 7	01.01.2017	No
Amendment IFRS 10, Consolidated Financial Statements	01.01.2014	Yes
IFRS 11, Joint Arrangements	01.01.2014	Yes
IFRS 12, Disclosure of Interests in Other Entities	01.01.2014	Yes
Transition rules for IFRS 10, IFRS 11, IFRS 12	01.01.2014	Yes
Investment Entities (additions to IFRS 10, IFRS 12, IFRS 27)	01.01.2014	Yes
IFRIC 21, Levies	01.01.2014	No

None of the aforementioned standards was applied early. We anticipate no or no significant effects on the valuation and presentation of the financial standards arising from the first-time application of the approved accounting regulations. Changes are anticipated especially from a greater scope of disclosures made in the notes to the financial statements..

III. INFORMATION ABOUT THE CONSOLIDATION SCOPE

These consolidated financial statements comprise RTT AG and all the companies that it controls. The financial year of all fully consolidated companies runs from January 01 until December 31.

The following associated companies belonged to the Group of RTT AG as the parent company:

RTT USA Inc.	Pasadena, USA	wholly-owned subsidiary of RTT AG RTT
Asia-Pacific Jusik-Hoesa	Seoul, South Korea	wholly-owned subsidiary of RTT .AG
RTT Japan K.K.	Tokio, Japan	wholly-owned subsidiary of RTT Asia-Pacific Jusik-Hoesa
RTT China Co. Ltd	Shanghai, China	wholly-owned subsidiary of RTT Asia-Pacific Jusik-Hoesa
RTT do Brasil LTDA	Sao Paulo, Brazil	wholly-owned subsidiary of RTT AG
RTT B.V.	Amsterdam, Netherlands	wholly-owned subsidiary of RTT AG
RTT BeNeLux BVBA	Vilvoorde, Belgium	99.99% interest held by RTT B.V. 0.01% interest held by RTT AG
Bunkspeed Inc.	Encinitas, USA	wholly-owned subsidiary of RTT USA Inc.

Bunkspeed Inc. was fully consolidated with 100% for the first time in the 2013 financial year. The remaining non-controlling interests were taken over with effect as of September 30, 2013. After the takeover of the outstanding shares, the interest was transferred to RTT USA as of December 31, 2013 as part of an internal Group transaction.

1. Consolidation principles

This set of consolidated financial statements as of December 31, 2013 comprises the separate financial statements of RTT AG as the parent company and its Group companies.

Subsidiaries comprise all companies where the Group exerts control over financial and business policy, regularly accompanied by a voting rights share of more than 50%. When assessing whether control exists, the existence and effect of potential voting rights that can be currently exercised or converted are also taken into account where relevant.

Subsidiaries are included in the consolidated financial statements from the date on which control transfers to the Group (full consolidation). They are deconsolidated from the date on which control ends.

The consolidation of the investment accounts of subsidiaries is performed pursuant to IAS 27 (Consolidated and Separate Financial Statements according to IFRS) in combination with IFRS 3 (Business Combinations) through offsetting the carrying amounts of the investment with the revalued equity of the subsidiary on the acquisition date (purchase method).

Intragroup transactions, balances, and unrealized gains and losses on transactions between Group companies are eliminated. The subsidiaries' accounting and valuation methods are modified if required in order to ensure standard Group accounting.

Associated companies comprise companies where the Group exercises significant influence but where it does not exercise control, regularly accompanied by a voting rights share of between 20 and 50%. Interests in associated companies are entered in the balance sheet applying the equity method, and are initially recognized at cost. The Group's share in associated companies' profits and losses are reported in the income statement from the acquisition date. Changes to reserves are reported proportionally in the Group reserves. Cumulative changes following acquisition are offset against the carrying amount of the investment. If the Group's share in the loss of an associated company corresponds to, or exceeds, the Group's interest in this company, including other unsecured receivables, the Group reports no further losses unless it has entered into obligations for the associated company, or has rendered payments for the associated company. On each balance sheet date, the Group examines whether indications exist that an impairment loss needs to be recognized for the investment in the associated company. In this case, the difference between the carrying amount and the recoverable amount is reported as an impairment and is carried in the income statement as »Share in the profit/loss from associated companies«.

2. Currency translation

The foreign subsidiaries' annual financial statements are translated applying the modified balance sheet date method. Expenses and income are translated at the year-average rate, assets and liabilities at the rate on the balance sheet date, and the subsidiaries' capital at historic rates. All resultant translation differences are reported as a separate item within other reserves within equity.

The currency translation was based on the following exchange rates:

2013	BALANCE SHEET DATE RATE	AVERAGE RATE
US Dollar (1 USD)	0,72643 €	0,75300 €
South Korean Won (1 WON)	0,00069 €	0,00069 €
Chinese Renminbi Yuan (1 CNY)	0,11889 €	0,12166 €
Japanese Yen (1 YEN)	0,00690 €	0,00772 €
Brazilian Real (1 BRL)	0,30933 €	0,34928 €

2012	BALANCE SHEET DATE RATE	AVERAGE RATE
US Dollar (1 USD)	0,75690 €	0,77810 €
South Korean Won (1 WON)	0,00070 €	0,00070 €
Chinese Renminbi Yuan (1 CNY)	0,11990 €	0,12310 €
Japanese Yen (1 YEN)	0,00880 €	0,00980 €
Brazilian Real (1 BRL)	0,36930 €	0,39900 €

IV. ACCOUNTING AND VALUATION METHODS

The following accounting and valuation methods were generally applicable for the preparation of the IFRS consolidated financial statements.

Revenue recognition

At RTT AG, revenue is recognized applying IAS 18. Revenue is reported less VAT, sales deductions and credits, and after eliminating intragroup sales. RTT AG's revenue primarily comprises revenue from the sale of software licenses, maintenance agreements and services.

Revenue from the assignment of software licenses of unlimited duration is recognized if the licenses were made available according to an agreement, if the consideration is contractually determined or determinable, and the satisfaction of the related receivables is probable. Revenue is recognized on an installment basis where the assignment of utilization is for a limited period.

Revenue from maintenance agreements is recognized straight-line over the period over which the service is rendered.

Service revenue can comprise service agreements or contracts for work and labor. In the case of pure service agreements, revenue is recognized in the period in which the service (consulting) is rendered. In the case of contracts for work and labor, or fixed price agreements, revenue is recognized applying the percentage of completion method pursuant to IAS 18 in combination with IAS 11.23 given the existence of the related preconditions. In this case, the degree of completion is measured as a percentage rate of the services rendered as of the balance sheet date and the total service to be rendered. As soon as it is probable that the total costs of a project will exceed total project revenue, the expected losses are expensed immediately. The costs attributable to the agreement are relevant in this context.

In the case of multi-component agreements, revenue is split among the various contract components based on the respective components' market values.

Intangible assets

Acquired intangible assets are recognized at cost and, if they comprise depreciating assets, amortized in line with their useful lives. A useful life of 3-5 years is generally utilized for software. The straight-line amortization method is applied in this context.

Research and development costs

Development costs which are directly allocable to the development and inspection of identifiable individual software products that are controlled by the Group are recognized as intangible assets if they comply with the following IAS 38 criteria:

- **The software products can be completed in technical terms.**
- **The management intends to complete the software products, and to either utilize them or sell them.**
- **The software products can be utilized or sold.**
- **It can be proved that the software products will prospectively generate future economic benefits.**
- **Adequate technical, financial and other resources are available to conclude the development, and to utilize or sell the software products.**
- **Expenditures allocable to the software product during its development can be measured reliably.**

Costs directly attributable to the software product comprise personnel costs for the staff involved in its development, expenses for services provided by third parties, and an appropriate share of corresponding overhead costs. Development expenditures that fail to satisfy these criteria are expensed in the period in which they arise. Already expensed development costs are not capitalized in a subsequent period. Capitalized software development costs are amortized straight-line over their estimated useful life (four years).

Property, plant and equipment

Property, plant and equipment are recognized at cost less cumulative straight-line depreciation, pursuant to IAS 16. Costs include costs directly attributable to purchase, as well as borrowing costs, if the related recognition criteria are satisfied. Impairment charges to the lower of cost or the recoverable amount are applied if required. Maintenance expenses are expensed in the period in which they arise. Property, plant and equipment are depreciated straight-line over a three to ten year period.

Pursuant to IAS 16.67, property, plant and equipment is de-recognized on disposal or if no further economic benefit is anticipated from its further utilization or sale. Gains and losses on asset disposals are calculated as the difference between the net disposal proceeds and the asset's carrying amount, and carried through profit or loss. Expected useful lives, residual values and depreciation methods are reviewed annually.

Goodwill

Goodwill incurred on consolidation represents the surplus of the costs of acquiring a company over the Group's share in the fair value of the identifiable assets, liabilities and contingent liabilities of a subsidiary or joint-venture on the acquisition date. Pursuant to IFRS 3 (Business Combinations), goodwill is not amortized. Instead, IAS 36 (Impairment of Assets) requires that goodwill is tested annually for impairment, and also when corresponding indications of impairment exist. Where impairment has occurred, goodwill is then written down to its recoverable amount. An impairment loss is reported to reflect the extent to which the carrying amount exceeds the recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and its value in use. All impairment losses are expensed immediately.

For the purpose of impairment testing, goodwill is distributed among cash-generating units. Goodwill is distributed among the cash-generating units, or groups of such cash-generating units, where it is expected that they will draw benefits from the underlying business combination.

Trade receivables

Trade receivables are reported at cost less value adjustments. Value adjustments to trade receivables are reported if objective indications exist that the amounts that are due are not fully collectable. The level of the value adjustment is measured as the difference between the receivable's carrying amount and the present value of the estimated future cash flows from the receivable, discounted applying the effective interest rate. Value adjustments are carried through profit or loss. If the reasons for the value adjustments applied in prior periods no longer exist, corresponding reversals are performed.

Contracts for work and labor and fixed-price agreements which have not yet been concluded as of the balance sheet date are valued applying the percentage of completion method. Trade receivables comprise all orders entailing an assets-side balance due from the customer. They are composed of all costs incurred plus the reported profit, and less the total of reported losses and partial billings.

Financial assets and liabilities

The accounting treatment and valuation of financial assets and liabilities is based on the regulations contained in IAS 39. The Group's assets and liabilities include cash and cash equivalents, securities, trade and other receivables, trade payables and bank borrowings.

Initial recognition

Financial assets and liabilities are divided into the following categories: financial assets measured at fair value through profit or loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. Categorization depends on the respective purpose for which the financial assets were acquired.

Financial instruments are initially measured at fair value. Transaction costs are included except in the case of financial instruments measured at fair value through profit or loss. The trade date is generally selected as the date for initial reporting.

Subsequent measurement

Subsequent measurement depends on the original classification.

Assets measured at fair value through profit or loss

EA financial asset is allocated to this category if it was generally acquired with the intention that it be sold within the short term, or if the management designated the financial asset accordingly. Assets in this category are reported as current assets if they are either held for trading purposes, or will be realized prospectively within twelve months following the balance sheet date. Financial assets measured at fair value through profit or loss are reported at fair value in the balance sheet, with gains and losses being reported directly in the statement of comprehensive income.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments, and which are not quoted on an active market. They arise if the Group provides cash, goods or services directly to a debtor without the intention of trading such receivables. They count as current assets if their maturity dates are not longer than twelve months as of the balance sheet date, and count as non-current assets if their maturity dates exceed twelve months on the balance sheet date. Loans and receivables are measured at amortized cost applying the effective interest method. Gains and losses are reported in the statement of comprehensive income if the loans or receivables are derecognized or impaired.

Financial assets held to maturity

Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturities where Group management intends, and is able, to hold them until maturity. Held-to-maturity financial assets are recognized at cost applying the effective interest method. The Group held no held-to-maturity financial assets during the 2011 and 2012 financial years.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets which were allocated to this category, or to none of the above categories. After initial measurement, available-for-sale financial assets are measured at fair value. Unrealized gains or losses are reported directly in equity. On derecognition, the cumulative gain or loss that was reported in equity is released through profit or loss.

Impairment of financial assets

On each balance sheet date, a review is conducted as to whether objective indications exist that a financial asset or group of financial assets has been impaired. In the case of a financial asset or group of financial assets, impairment exists only if, as the result of one or several events occurring after initial recognition of the asset (a »case of loss«), an objective indication exists of impairment, and this case of loss (or cases of loss) exert(s) an effect on the expected future cash flows of the financial asset or group of financial assets, and which can be estimated reliably. Objective indications of impairment can comprise financial difficulties on the part of a customer, default on interest or capital amounts, and other identifiable circumstances indicating a measurable reduction in the estimated future cash flows, such as unfavorable changes to a debtor's solvency, or a financial position indicating default potential.

Securities

Securities comprise bonds with fixed and variable interest payments issued by counterparties of the highest credit standing. Securities are measured at their fair value on the balance sheet date. Defending on the classification of the securities as at fair value through profit or loss or available for sale, price changes are reported either in the statement of comprehensive income or within other reserves within equity.

Cash and cash equivalents

Cash and cash equivalents comprise cash holdings, sight deposits, other short-term and highly liquid financial assets with an original term of a maximum of three months, and overdrafts. Utilized overdrafts are reported as »bank borrowings« among current liabilities in the balance sheet.

Equity

Shares are classified as equity. Costs directly attributable to the issuing of new shares or options are recognized in equity net of tax as a deduction from the issue proceeds. If a Group company purchases the company's shares, the value of the consideration paid, including directly attributable additional costs (net after tax), is deducted from the equity attributable to the company's shareholders, until the shares are withdrawn, reissued or sold. If such shares are subsequently reissued or sold, the consideration received, net after deducting directly attributable additional transaction costs and associated corporation taxes on income, are reported within the equity attributable to the company's shareholders.

Trade payables

Trade payables comprise payment obligations for goods and services acquired as part of normal business transactions. Such liabilities are classified as current liabilities if the payment obligation is due within one year.

They are otherwise recognized as non-current liabilities. Trade payables are measured at fair value on initial recognition. They are subsequently measured at amortized cost applying the effective interest method.

Provisions

Provisions are formed if the Group (a) has a current legal or de facto obligation arising from a past event, (b) it is more likely than not that the settlement of the obligation will result in a charge on assets, and (c) the level of the provision can be calculated reliably. No provisions are formed for future operating losses. Provisions are measured at the present value of the expected expenses, and based on a pre-tax interest rate that takes into account current market expectations related to the interest effect and the risks specific to the obligation. Increases in provisions resulting purely from the reversal of discounting are reported as interest expenses through profit or loss.

Employee benefits

The company operates a pension scheme for certain management members. The related pension provisions are measured actuarially applying the projected unit credit method (IAS 19, Employee Benefits), with the actuarial valuation on each balance sheet date being conducted by independent actuaries. This projected unit credit method takes into account pensions and acquired entitlements to future pensions as known as of the balance sheet date, and future expected increases in salaries and pensions. The provision recognized in the balance sheet corresponds to the fair value of the obligation (defined benefit obligation, DBO) on the balance sheet date, adjusted to reflect past service cost not reported through profit or loss. Actuarial gains and losses based on experiential adjustments and amendments to actuarial assumptions are reported in the period in which they arise in other comprehensive income within equity.

Share-based compensation

RTT AG has set up a share-based compensation scheme for senior employees, and administers a number of share-based employee compensation packages with settlement through equity instruments, whereby the company receives payments from employees, and issues equity instruments (options) as consideration. The services provided by the employees for which the options are issued in exchange are expensed. All existing option programs are tied to the development of the share price of RTT AG, in other words, the exercising of option rights is subject to market conditions. When granting the options, the fair value is calculated and distributed over the period during which the beneficiaries acquire an unrestricted claim to the equity instruments. The options' fair value is calculated once on the respective vesting date applying a Monte Carlo simulation. The estimate of the number of options that are expected to be exercise is reviewed on each balance sheet date. The effects, and any changes to the original estimates that need to be taken into account, are reflected in the income statement, and through a corresponding adjustment within equity, over the remaining period until non-forfeitability.

Corporation taxes on income and deferred tax

The tax expense for the period is composed of current and deferred tax. The current tax expense is calculated applying the tax regulations valid on the balance sheet date for the countries where the company and its subsidiaries operate and generate taxable income. The management regularly reviews tax declarations, especially relating to interpretable matters and, if appropriate, forms provisions based on the amounts that are expected to be remitted to the tax authorities.

Deferred tax is formed for all temporary differences between tax valuations and IFRS valuations. The balance-sheet-oriented liability method is applied in this context. Deferred tax assets are recognized if it is probable that they can also be utilized. The calculation of deferred tax assets and liabilities is based on tax rates that are valid on the date when the asset is realized, or the liability is satisfied.

Impairment losses are applied to deferred tax assets when their realization is no longer anticipated within a plannable period. Unrecognized deferred tax assets are reviewed and capitalized to the extent to which it has become probable that future taxable income will allow them to be realized.

Deferred income

Income before the balance sheet date representing income in subsequent financial years is reported as deferred income. This is regularly the case when deferring maintenance agreements.

Earnings per share

Earnings per share are calculated according to IAS 33 (Earnings per Share) by dividing consolidated net profit by the weighted average number of shares in issue during the financial year. Diluted earnings per share exist if equity instruments are issued from the share capital that could result in an increase in the number of shares in the future. This dilution effect is calculated and disclosed.

Leasing

Leases where a significant proportion of the risks and opportunities connected with ownership of the leased object remain with the lessor are classified as operating leases. Payments rendered in connection with an operating lease are reported straight-line in the income statement over the lease duration. The Group leases no property, plant and equipment where the Group bears the significant risks and benefits arising from the ownership of the leased object. No assets from finance leasing are reported as a consequence.

Government grants

Government grants are reported if it can be assumed with appropriate certainty that the conditions connected with the grant will be satisfied. Income subsidies are allocated to the periods in which the related costs are incurred, and deducted from the corresponding expenses.

Currency translation

Foreign-currency transactions are translated into the functional currency applying the exchange rates on the transaction date. Gains and losses resulting from the satisfaction of such transactions, as well as resulting from the translation of assets and liabilities denominated in foreign currencies at the rates prevailing on the balance sheet date, are reported in the income statement. Translation differences on non-monetary items whose fair value changes are carried through profit or loss are reported as a part of the gain or loss arising from fair value measurement. By contrast, translation differences non-monetary items whose fair value changes are carried directly to equity are reported within equity.

Segment reporting

The operating segments are reported in the same way as with internal reporting to the company's main decision-maker. The main decision-maker is responsible for decisions concerning the allocation of resources to the operating segments, and for reviewing their profitability. The Management Board comprises the main decision-maker.

RTT AG's operating segments comprise the geographic regions of

• Europe

• Americas (North and South America)

• APAC (Asia-Pacific)

Assumptions and estimates relating to accounting and valuation

When preparing the consolidated financial statements, it is necessary to a certain degree to make assumptions and estimates which affected the recognition, level and reporting of recognized assets and liabilities, income and expenses, and contingent liabilities during the period under review. Events that actually occur later can diverge from these estimates. The most important forward-looking information is explained below.

(a) Goodwill impairment

Goodwill is tested annually for potential impairment pursuant to IAS 36 (Impairment of Assets). If events or changes in circumstances indicate potential impairment, impairment tests are also to be conducted more regularly. As part of asset impairment testing at RTT AG, the carrying amounts of the individual cash-generating units are compared with their respective recoverable amounts, in other words, the higher of fair value less costs to sell and value in use. In order to estimate the recoverable amount, the prospective future cash flows from the cash-generating unit are estimated. In addition, assumptions and estimates are required when selecting an appropriate discounting rate in order to calculate the cash flows' present value.

(b) Corporation taxes on income

The Group is obligated to pay corporation taxes on income in various countries. For this reason, various assumptions are required in order to calculate the global income tax provision. Business transactions and calculations exist where the final taxation cannot be conclusively calculated. The Group measures the level of provisions for the expected tax audits on the basis of estimates as to whether and to what level additional income taxes will fall due. To the extent that the final taxation of such business transactions diverges from the initially assumed taxation, this will affect the actual and deferred taxes in the period in which the taxation is conclusively determined.

(c) Accounting for incomplete orders

Revenue from the rendering of services arising from contracts for work or labor, or from fixed price contracts, are accounted for on the basis of the percentage of completion method. Here, the Group estimates the share of the services that have already been rendered by the balance sheet date as a percentage of the total scope of the services to be rendered.

(d) Provisions

When calculating the recognition of provisions, assumptions must be made concerning the probability of an outflow of resources. RTT AG recognizes provisions to the best possible estimated level required to cover all current legal or de facto Group obligations on the balance sheet date. Future events that might affect the amount required to fulfill an obligation are reflected in the provisioning amount to the extent that they can be predicted with sufficient objective certainty.d objektiver Sicherheit vorausgesagt werden können.

V. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The following table presents a reconciliation of the balance sheet items with their IAS 39 classes and categories, as well as the financial instruments' corresponding carrying amounts and fair values.

	IAS 39 measurement category	**Carrying amount 31/12/20133**	**Amortized cost**	**Fair value directly to equity**	**Fair value through P&L**
Assets					
Trade receivables	LaR	23,596	23,596	-	-
Securities	Afs, FVtPL	3,703	-	2,329	1,374
Cash and cash equivalents	LaR	9,487	9,487	-	-
Liabilities					
Bank borrowings	FL-AC	313	313	-	-
Trade payables	FL-AC	3,849	3,849	-	-
Of which aggregated by IAS 39 measurement categories					
Loans and receivables	-	33,083	-	-	-
Available for sale	-	2,329	-	-	-
Fair Value through Profit & Loss	-	1,374	-	-	-
Financial Liabilities measured at Amortized Cost		4,162	-	-	-

	IAS 39 measurement category	**Carrying amount 31/12/2012**	**Amortized cost**	**Fair value directly to equity**	**Fair value through P&L**
Assets					
Trade receivables	LaR	22,134	22,134	-	-
Securities	Afs, FVtPL	7,111	-	4,466	2,645
Cash and cash equivalents	LaR	8,437	8,437	-	-
Liabilities					
Bank borrowings	FL-AC	492	492	-	-
Trade payables	FL-AC	4,509	4,509	-	-
Of which aggregated by IAS 39 measurement categories					
Loans and Receivables	-	30,570	-	-	-
Available for sale	-	4,466	-	-	-
Fair Value through Profit & Loss	-	2,645	-	-	-
Financial Liabilities measured at Amortized Cost		5,006	-	-	-

The market value of cash and cash equivalents, securities, current receivables, trade payables, other current financial liabilities and other financial liabilities approximately corresponds to their carrying amount. This is due to the short term of such instruments. The market values of listed securities are based on their price quotation on the balance sheet date.

Risk management

RTT AG is exposed to various financial risks as a result of its international business activities. Besides general market risk (including foreign-currency risk and interest-rate risk), these include liquidity risk and credit risk. The Group's overarching risk management is focused on the unpredictability of financial market trends, and aims to minimize potentially negative effects on the Group's financial position.

Foreign-currency risk

RTT AG is not exposed to any significant foreign-currency risks. Group companies conduct their operating activities primarily in the respective company's functional currency. Foreign-currency risks for the individual national companies arise only from intragroup transfer pricing, which has irrelevant for Group earnings. Exchange-rate-related effects arise within the Group through the translation of financial statements into the Group currency (translation risk).

Interest-rate risk

Due to the minor extent of its interest-bearing liabilities, the Group is exposed to only small risks arising from fluctuations in market interest rates. In terms of assets, interest income from investing liquid assets is subject to interest-rate risk. Risk minimization is derived from fixed minimum interest arrangements and variable interest rates on securities. The company has refrained from a sensitivity analysis due to the minor significance of this risk for the Group.

Credit risk

RTT AG is exposed to default risk in its operating business if contractual partners fail to meet their obligations. Constant receivables monitoring minimizes any default risks. Default risks are also taken into account through specific value adjustments. As of the balance sheet date, no indications existed that risks exceeded the value adjustments that have been recognized. The theoretical maximum default risk is reflected through the receivables' carrying amounts. In addition, significant outstanding receivables are due from two Group companies. Cash positions that are not required in the short-term are partially invested in fixed term deposits and securities. Securities comprise bonds with fixed and variable interest payments issued by counterparties of the highest credit standing. The investment strategy can be described as risk-averse. The theoretical maximum default risk is reflected through the carrying amounts.

Liquidity risk

Liquidity risk is supervised on the basis of weekly liquidity planning. Cash flow forecasts are prepared at the level of the operating companies and aggregated within the Group. The management monitors the rolling forward planning of the Group's liquidity reserve in order to ensure that sufficient liquidity is available at all Group companies. Risk is minimized through Group-wide liquidity management and active working capital management and, if required, settled through available cash or credit lines.

Capital management

The primary objective of capital management is to secure the continued planned growth. The capital that is managed comprises all current and non-current debt and liability items as well as equity components. Changes to the capital structure over the course of time are measured using equity and debt ratios:

	2013	2012
Equity ratio	63%	64%
Debt ratio	37%	36%

Fair value measurement

The following table shows financial instruments measured at fair value, analyzed according to measurement method. The various levels are as follows:

Ebene 1: (unadjusted) market prices utilized on an active market for identical assets and liabilities

Ebene 2: including data, except for the market prices listed in Level 1, which are observable for the assets and liabilities either directly (in other words, as prices) or indirectly (in other words, derived from prices)

Ebene 3: including data for assets and liabilities not based on market data

12/31/2013	Level 1	Level **2**	Level **3**	**Total**
Assets				
Financial assets:				
Fair value through profit or loss	1,374	0	0	1,374
Available for Sale	2,329	0	0	2,329

12/31/2012	Level 1	Level **2**	Level **3**	**Total**
Assets				
Financial assets:				
Fair Value through Profit & Loss	2,645	0	0	2,645
Available for Sale	4,466	0	0	4,466

VI. NOTES TO THE CONSOLIDATED BALANCE SHEET

1. Intangible assets and non-current assets

The changes to the individual items of intangible assets and non-current assets, as well as depreciation, amortization and impairment losses incurred in the current financial year, are presented separately in the schedule of non-current assets:

The reported goodwill of kEUR 1,530 (previous year: December 31, 2012: kEUR 1,530) relates to the goodwill arising from the Bunkspeed acquisition. The goodwill was impairment tested based on its fair value less costs to sell. This calculation was based on four-year planning. An appropriate growth rate of 2% was used as the basis for the period beyond this. The applied pre-tax discount rate amounted to 12.3% (previous year: 11.9%). This calculation resulted in no requirement for an impairment charge. The calculations showed that realistic changes to estimates (e.g. +1% WACC or -1% growth) would result in no impairment.

2. At equity investments

The changes in financial assets accounted for applying the at-equity method are as follows:

KEUR	2013	2012
Balance on January 01	**617**	**798**
Proportional net profit/loss for the year	0	-86
Exchange-rate changes	0	-95
Retirement from consolidation scope	-617	-95
Balance on December 31	**0**	**617**

The equity-accounted interest held by RTT Japan K.K. in CAD Reality Co. Ltd was sold in the 2013 financial year.

3. Trade receivables

The trade receivables amounted to kEUR 23,596 as of December 31, 2013 (previous year: kEUR 22,134):

KEUR	12/31/2013	12/31/2012
Trade receivables (< 1 year)		
RTT AG	11,123	10,049
RTT Asia Pacific	118	238
RTT China	2,094	2,566
RTT K.K.	533	326
RTT USA	9,535	8,405
Bunkspeed	120	434
RTT Brazil	73	115
Total in KEUR	**23,596**	**22,134**

The term structure of the trade receivables is as follows:

			OVERDUE RECEIVABLES		
	Receivables	Neither impaired nor overdue	up to 90 days	90-180 days	longer than 180 days
12/31/2013	23.596	12.395	8.455	1.292	1.452
12/31/2012	22.134	18.563	2.700	545	326

Specific value adjustments of kEUR 137 were recorded as of December 31, 2013 (previous year: kEUR 122). Additions of kEUR 15 to the specific value adjustments (previous year: kEUR 12) were offset by consumption of kEUR 0 (previous year: kEUR 12). Specific value adjustments are reported in other operating expenses. No indications exist that the debtors of the receivables that are neither impaired nor overdue will fail to meet their payment obligations on time.

Trade receivables also comprise all contracts for work or labor and fixed price agreements which have not yet been concluded as of the balance sheet date, and which report a credit in favor of the customer and which are calculated according to the percentage of completion method:

	12/31/2013	12/31/2012
PoC receivables	4,590	5,200
Prepayments received	624	259
Total PoC receivables	**3,966**	**4,941**

No value adjustments were applied to PoC receivables in the periods under review.

4. Other assets

Other assets amounted to kEUR 2,666 as of December 31, 2013 (previous year: kEUR 1,687):

KEUR	31.12.2013	31.12.2012
RTT AG	2,067	1,111
RTT Belgium	47	12
RTT Asia Pacific	35	29
RTT China	142	29
RTT K.K.	101	103
RTT USA	151	284
Bunkspeed	93	103
RTT Brazil	30	16
Total in KEUR	**2,666**	**1,687**

Other assets primarily comprise tax receivables due from tax authorities in an amount of kEUR 1,081 (previous year: kEUR 692) and rental deposits in an amount of kEUR 165 (previous year: kEUR 241). Other assets also include prepayments for license and maintenance costs of kEUR 575 (previous year: kEUR 242).

5. Securities

Cash positions that are not required in the short-term are partially invested in securities. Securities comprise bonds with fixed and variable interest payments issued by counterparties of the highest credit standing.

The securities portfolio amounted to kEUR 3,703 as of December 31, 2013 (previous year: kEUR 7,111).

6. Cash and cash equivalents

The cash and cash equivalents are composed of credit amounts at banks of kEUR 9,485 (previous year: kEUR 8,434) and cash in hand of kEUR 2 (previous year: kEUR 3).

7. Share capital

The share capital amounted to EUR 4,480,070.00 as of December 31, 2013 (December 31, 2012: EUR 4,418,904.00). It is split into 4,480,070 ordinary registered shares. The nominal amount stands at EUR 1 per share. On the basis of the Approved Capital 2012/I, 61,166 new shares were issued in the financial year under review. This corresponds to a kEUR 61 increase in subscribed capital. In the previous year, 18,000 new shares were issued, which increased the subscribed capital by kEUR 18.

An amount of EUR 666,794.50 was transferred to additional paid-in capital in the financial year under review (previous year: EUR 132,100.00).

At the Shareholders' General Meeting of June 28, 2013, a resolution was passed to create additional Approved Capital 2013/I, and the cancellation of the existing and as yet unutilized Approved Capital 2011/I. With the same resolution, the Management Board was authorized, with Supervisory Board assent, to increase the company's share capital in the period until June 28, 2018, once or on several occasions, by a total of up to EUR 2,053,950.00 against cash and/or non-cash capital contributions (including so-called hybrid non-cash capital contributions) through issuing up to 2,053,950 new ordinary registered shares (Approved Capital 2013/I), whereby a commencement of dividend-entitlement can be set that diverges from the law. Shareholders' subscription rights can be excluded in this context. The company also has Approved Capital 2012/I in an amount of EUR 94,336.00.

As the result of a resolution of the AGM on July 29, 2011, the Management Board was authorized, with Supervisory Board assent, to issue until July 28, 2016, once or on several occasions, bonds with warrants and/or convertible bonds in a total nominal amount of up to EUR 50,000,000.00 with a maturity of up to 20 years. In this context, the company's share capital can be conditionally increased for the granting of shares to the holders or creditors of bonds with warrants and/or convertible bonds by up to EUR 1,742,618.00 through issuing up to 1,742,618 new ordinary registered shares with a proportional amount in the share capital of EUR 1.00 per share (»Conditional Capital 2011/I«). The conditional capital serves exclusively to grant shares to the holders or creditors of bonds with warrants and/or convertible bonds which the company, or a Group company in the meaning of Section 18 of the German Stock Corporation Act (AktG) in which the company holds a direct or indirect interest of at least 90%, issues or guarantees until July 28, 2016 on the basis of the authorization resolution of the AGM of July 29, 2011.

The creation of Conditional Capital 2011/I was approved at the AGM on July 29, 2011. In this context, the company's share capital can be conditionally increased by up to EUR 400,000.00 through issuing up to 400,000 new ordinary registered shares with a proportionate amount in the share capital of EUR 1.00 per share (»Conditional Capital 2011/I«). The Conditional Capital 2011/II serves to secure the subscription rights that are issued in the period until July 28, 2016 to Management Board members and employees of the company, as well as to members of the management and employees of associated companies, on the basis of the AGM authorization and as part of the 2011 Stock Option Plan and as part of the modified 2011 the Stock Option Plan (addition of Conditional Capital 2011/II approved as part of the Shareholders' General Meeting of June 28, 2013).

In accordance with the resolution concerning the application of unappropriated retained earnings for the 2012 financial year at the AGM on June 28, 2013, of the unappropriated retained earnings of EUR 2,933,686.84 in an amount of EUR 33,686.84 was carried forward to a new account, and an amount of EUR 2,900,000.00 was transferred to other retained earnings.

No treasury shares were either acquired or resold in the 2013 financial year. As a consequence, the company continues to hold an unchanged number of 13,663 treasury shares.

8. Stock options

RTT AG has set up a share-based compensation scheme for senior employees. The company receives work from its employees for which issues equity instruments (options) as consideration. The work performed by the employees is reported as the company's personnel expenses.

As of December 31, 2013, 18 option agreements existed with employees. These agreements entitle to the subscription to a total of 440,000 of the company's ordinary shares at subscription prices of EUR 7.60, EUR 10.00, EUR 10.90, EUR 20.00, EUR 24.40, EUR 25.15, EUR 26.64, EUR 28.64, EUR 30.84 and EUR 39.10. A total of 344,666 options were outstanding at the start of the period under review. In the 2013 financial year, 132,500 options were also newly granted, and 37,166 options were exercised at an average price of EUR 13.45. No options expired during the financial year elapsed. A total of 252,500 options were exercisable as of December 31, 2013. The exercisable options have an average exercise price of EUR 10.01. The weighted average residual term of the option stands at 1.5 years.

All existing option programs are tied to the share price of RTT AG. For the programs from the 2011 financial year, a relative performance target in terms of the outperformance of the RTT share compared to the performance of the TecDax index was also defined. As part of the performance target, the RTT share price must outperform Deutsche Börse's TecDax index within a predefined period.

In the 2013 financial year, 132,500 (previous year: 32,000) new options were issued at an average exercise price of EUR 31.41 (previous year: EUR 25.15). The issued options have a six-year term and expire in the 2019 financial year. The fair value of the issued options is calculated once as of the respective vesting date applying a Monte Carlo simulation, and distributed straight-line over the period during which the beneficiaries acquire an unrestricted claim to the options. Further parameters were also taken into account when valuing the options. An average price of EUR 31.38 (previous year: EUR 23.29) was applied as the basis value for the share price simulation for the options are issued in 2013. The expected volatility applied to the valuation was calculated on the basis of the historic volatility over a period corresponding to the options' term. This amounted to 37.50% for the RTT share (previous year: 33.85%), and to 29.59% for the TecDax index (previous year: 29.63%). The assumed average risk-free rate stood at 0.67% (previous year: 0.61%). The expected dividend yield was set at 0% on the basis of past experience. Based on the assumed parameters, an average fair value of EUR 10.03 was derived for the stock options granted during the period under review (previous year: EUR 5.09).

The expenses arising from the stock option program that are reported among personnel expenses amounted to kEUR 227 in the 2013 financial year (previous year: kEUR 176).

9. Pension provisions

The pension provisions cover obligations arising from pension commitments to Management Board members. Pension provisions are consequently fully attributable to RTT AG and carry a residual term of more than one year.

The provisioning amount for the pension provisions is derived as follows:

Derivation of the pension provision:	**12/31/20133**	**12/31/2012**
January 01	**368**	**337**
Current service cost	20	29
Interest cost	15	18
Actuarial gains/(losses)	-174	-16
December 31	**229**	**368**

Actuarial gains/losses are reported within other reserves in the company's equity. The losses reported within other reserves amounted to a total of kEUR 138.

The amounts reported in earnings are calculated as follows:

Pension expense	**12/31/2013**	**12/31/2012**
Current service cost	20	29
Interest cost	15	18
Expensed in statement of comprehensive income	**35**	**47**

The pension expense is reported within the company's personnel expenses.

These calculations are subject to the following actuarial assumptions:

Actuarial assumptions	**12/31/2013**	**12/31/2012**
Interest rate	3,9%	5,2%
Salary trend	0,0%	2,5%
Pension trend	2,0%	2,0%

The assumptions concerning future mortality are based on the Richttafeln 2005 G mortality tables published by Prof. Klaus Heubeck.

10. Provisions

The provisions changed as follows during the financial year:

	Balance on 01/01/2013	**Consumed**	**Released**	**Addition**	**Balance on 12/31/2013**
Drohverlustrückstellungen	238	238	0	112	112
Prozesskosten	158	158	0	58	58
Summe Rückstellungen	**396**	**396**	**0**	**170**	**170**

	Balance on 01/01/2012	**Consumed**	**Released**	**Addition**	**Balance on 12/31/2012**
Drohverlustrückstellungen	159	159	0	238	238
Prozesskosten	0	0	0	158	158
Summe Rückstellungen	**159**	**159**	**0**	**396**	**396**

Provisions for pending losses are formed for service projects that have not yet been completed as of the balance sheet date, where it is likely that the total costs of a project will exceed the total revenues.

11. Deferred tax

Deferred tax arises from differing valuations between the Group companies' IFRS and tax accounts, as well as from consolidation measures.

The deferred tax liabilities and assets relate to the following balance sheet items:

KEUR	12/31/2013	12/31/2012
Deferred tax assets		
Pension provisions	14	39
Provisions for pending losses	37	0
Loss carryforwards	428	360
Other liabilities	22	113
Deferred income	64	120
Consolidation measures	90	70
Total deferred tax assets	**655**	**702**
of which current	569	469
of which non-current	86	233
Deferred tax liabilities		
Internally produced software	2,018	1,820
Property, plant and equipment	463	521
PoC receivables	65	238
Deferred and accrued items	21	45
Consolidation measures	18	-
Total deferred tax liabilitie	**2,585**	**2,624**
of which current	104	283
of which non-current	2,481	2,341
Offsetting of deferred tax assets and liabilitie	157	272
Deferred tax assets recognized in the balance sheet	**498**	**430**
Deferred tax liabilities recognized in the balance sheet	**2,427**	**2,352**

No deferred tax assets were recognized for loss carryforwards of kEUR 5,933 at foreign subsidiaries (December 31, 2012: kEUR 2,254).

No deferred tax liabilities were recognized for temporary differences connected with shares in subsidiaries, branch operations and associates.

12. Trade payables

Trade payables amounted to kEUR 3,849 as of December 31, 2013 (previous year: kEUR 4,509):

KEUR	12/31/2013	12/31/2012
RTT AG	2,601	3,048
RTT Belgium	272	242
RTT Asia-Pacific	11	1
RTT China	0	22
RTT K.K.	5	49
RTT USA	778	962
Bunkspeed	39	116
RTT Brazil	143	70
Total in KEUR	**3,849**	**4,509**

The due dates of the trade payables are as follows:

		DUE DATES KEUR		
	Trade payables	**up to 90 days**	**90-180 days**	**longer than 180 days**
12/31/2013	3.849	3.727	26	96
12/31/2012	4.509	4.482	11	16

13. Other liabilities

Other liabilities amounted to kEUR 9,365 as of December 31, 2013 (previous year: kEUR 8,106):

KEUR	12/31/2013	12/31/2012
RTT AG	5,380	4,811
RTT Asia-Pacific	21	15
RTT China	625	448
RTT K.K.	182	134
RTT USA	2,843	2,006
Bunkspeed	197	632
RTT Belgium	31	-
RTT Brazil	86	60
Total in KEUR	**9,365**	**8,106**

The other liabilities include liabilities for staff bonuses of kEUR 2,054 (previous year: kEUR 2,070) and for vacation in an amount of kEUR 1,423 (previous year: kEUR 1,117). Liabilities arising from wages and salaries, wage and church taxes, as well as social security amounted to kEUR 1,702 (previous year: kEUR 1,371). This item also includes liabilities arising from corporation income tax and VAT obligations in an amount of kEUR 1,829 (previous year: kEUR 1,116), and prepayments received in an amount of kEUR 353 (previous year: kEUR 326).

14. Bank borrowings

As of the financial year-end, bank borrowings primarily comprise obligations arising from loans due in the short term in an amount of kEUR 313 (previous year: kEUR 492)

The respective interest rates ranged between 4.00% and 5.70% during the 2013 financial year.

15. Deferred income

Deferred income of kEUR 3,938 (previous year: kEUR 3,431) primarily comprises prepayments for maintenance agreements and prepayments for the time-limited assignment of software licenses.

VII. NOTES TO THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

1. Revenue

The revenue is split among the operating segments as follows:

KEUR	2013	2012
Services	60,650	53,793
Software and maintenance	19,210	19,348
Hardware	1.230	594
Total	**81,090**	**73,733**

2. Work performed by the company and capitalized

Research and development costs of kEUR 10,889 predominantly comprise personnel and external service costs (previous year: kEUR 10,353). Of this amount, kEUR 1,549 was capitalized in the financial year under review for software produced by the company (previous year: kEUR 2,586).

3. Other operating income

Other operating income of kEUR 1,065 (previous year: kEUR 688) was reported in the 2013 financial year. This primarily comprises income from marketing and sales activities of kEUR 200 (previous year: kEUR 154), income from the taxation of company vehicles of kEUR 143 (previous year: kEUR 100), grants for leasehold improvements of kEUR 82 (previous year: kEUR 67), public-sector grants of kEUR 87 (previous year: kEUR 80), foreign-currency gains of kEUR 147 (previous year: kEUR 77), and insurance compensation payments of kEUR 16 (previous year: kEUR 16).

4. Cost of materials and of purchased goods and services

The cost of materials and of purchased goods and services amounted to kEUR 10,481 in the financial year under review (previous year: kEUR 11,248). Of this amount, kEUR 465 (previous year: kEUR 870) relates to purchase goods such as hardware and licenses, and kEUR 10,016 (previous year: kEUR 10,378) relates to purchased services.

5. Personnel expenses

The personnel expenses of kEUR 50,414 (previous year: kEUR 41,588) are composed of expenses for wages and salaries of kEUR 43,238 (previous year: kEUR 36,174), and of social security contributions and other personnel expenses of kEUR 7,059 (previous year: kEUR 5,414). The personnel expenses also include costs connected with the stock option program of kEUR 227 (previous year: kEUR 176) and with pension provisions in an amount of kEUR 20 (previous year: kEUR 29). The company employed an average of 753 staff in the 2013 financial year (previous year: 627). Of these employees, an average of 489 staff were employed in Content Production and Consulting, 126 staff in research and development, and 138 staff in sales/marketing and administration.

6. Other operating expenses

Other operating expenses amounted to kEUR 15,153 in the 2013 financial year (previous year: kEUR 13,292). Other operating expenses predominantly comprise expenses for renting office premises and expenses for office infrastructure of kEUR 5,399 (previous year: kEUR 4,774), legal and other consulting costs of kEUR 3,923 (previous year: kEUR 3,187), travel costs of kEUR 2,566 (previous year: kEUR 2,353), marketing and event costs of kEUR 1,282 (previous year: kEUR 858), costs connected with staff recruitment of kEUR 548 (previous year: kEUR 463), insurance premiums of kEUR 279 (previous year: kEUR 252) and foreign currency losses of kEUR 153 (previous year: kEUR 107).

7. Net financial result

The net financial result is split among the following income and expenses:

KEUR	**2013**	**2012**
Financial income	188	180
Financial expenses	-217	-96
Net financial result	**-29**	**84**

The financial income mainly includes interest payments and price gains on securities investments. The financial expenses comprise interest payments for long-term and short-term financial borrowings, as well as price losses on the revaluation of securities. Interest expenses also include expenses of kEUR 15 (previous year: kEUR 18) arising from discounting applied to pension provisions. The financial expenses also include the loss of kEUR 100 arising from the disposal of the joint venture in Japan.

8. Corporation taxes on income

KEUR	**2013**	**2012**
Actual tax expense	-2,980	-1,360
Deferred tax	-7	-577
Corporation taxes on income	**-2,987**	**-1,937**

The following reconciliation presents the differences between corporation income taxes as actually booked and expected corporation income taxes. The expected income tax expense is derived from pre-tax earnings multiplied by the correspondingly applicable Group tax rate of 33%. The Group tax rate corresponds to the tax rate of RTT AG.

KEUR	**2013**	**2012**
EBT	**2,322**	**6,989**
Group tax rate	33%	33%
Notional corporation income tax expense	766	2,306
Tax rate differences	-246	73
Tax-free income	-512	-862
Non-tax-deductible expenses	366	227
Utilization of non-capitalized tax loss carryforwards	0	-52
Non-capitalization of tax loss carryforwards	1,846	120
At-equity consolidation	747	32
Taxes unrelated to the reporting period	19	92
Reported corporation income tax expense	**2,987**	**1,936**

9. Earnings per share

Undiluted (basic) earnings per share amounted to EUR 0.02 in the financial year under review (previous year: EUR 1.17), and diluted earnings per share stood at EUR 0.02 (previous year: EUR 1.12). This is based on the following calculation:

KEUR	2013	2012
Earnings attributable to shareholders	82	5.133
Average number of shares in issue	4.431	4.393
Adjustment for stock option program	228	179
Average number of shares in issue including potentially dilutive shares arising from stock option program	4.658	4.572
Undiluted (basic) earnings per share (in EUR)	**0,02**	**1,17**
Diluted earnings per share (in EUR)	**0,02**	**1,12**

VIII. SEGMENT REPORTING

The operating segments of the RTT AG Group comprise the geographic regions of Europe, Americas (North and South America) and APAC (Asia-Pacific). These operating segments are in accordance with internal reporting to the main decision-maker.

The »Europe« segment comprises the business activities of RTT AG as well as of RTT BeNeLux and RTT B.V. The »Americas« segment comprises RTT USA, Bunkspeed as well as RTT Brazil. »APAC« includes RTT China, RTT Japan and RTT Korea.

The accounting and valuation methods for the operating segments that require reporting harmonize with the principles presented in Chapter III. The transfer prices between the segments correspond to prices that would have also been achieved with third parties. The costs of administrative services are passed on. The geographic information reflects the headquarters of the respective company.

2013

KEUR	EU	Americas	APAC	Elimination	Consolidated
Revenue					
External revenue	41.308	30.473	9.309	0	81.090
Internal revenue	5.654	133	193	-5.981	0
Total revenue	**46.962**	**30.607**	**9.502**	**-5.981**	**81.090**
Segment EBITDA	**-357**	**7.206**	**806**	**0**	**7.656**
Depreciation and amortization	**-3.107**	**-1.330**	**-120**	**0**	**-4.557**
Segment EBIT	**-3.464**	**5.876**	**686**	**0**	**3.098**

KEUR

TEUR	EU	Americas	APAC	Elimination	Consolidated
Revenue					
External revenue	42.600	22.584	8.550	0	73.735
Internal revenue	3.004	604	173	-3.782	0
Total revenue	**45.605**	**23.189**	**8.723**	**-3.782**	**73.735**
Segment EBITDA	**5.667**	**3.686**	**1.528**	**0**	**10.881**
Depreciation and amortization	**-2.624**	**-1.109**	**-146**	**0**	**-3.879**
Segment EBIT	**3.043**	**2.577**	**1.382**	**0**	**7.001**

The Group generates more than 10% of total consolidated revenue with each of two corporate groups.

IX. CONSOLIDATED CASH FLOW STATEMENT

The consolidated cash flow statement shows the changes in cash and cash equivalents (kEUR 9,487) over the course of the financial year under review. Securities (kEUR 3,703) are included in cash and cash equivalents since they can be sold rapidly.

The cash flow statement was prepared applying the indirect method in accordance with IAS 7. The cash flows are split between cash flow from operating, investing and financing activities.

X. OTHER DISCLOSURES

1. Contingencies

As of the December 31, 2013 balance sheet date, no contingencies existed that require reporting.

2. Other financial obligations

Other financial obligations exist in an amount of kEUR 3,872 (previous year: kEUR 1,404).

These obligations are split among rent for office premises and vehicle lease agreements as follows:

12/31/2013	Vehicle leasing	Rent	Support
RTT AG	217	970	0
RTT Asia-Pacific	0	7	1
RTT China	0	187	0
RTT K.K.	0	103	0
RTT USA	14	2.371	2
Bunkspeed	0	0	0
KEUR	**231**	**3.638**	**3**

Of the other obligations, kEUR 1,816 are due within one year, and kEUR 2,056 within between one and five years. The actual rental expenses for 2013 amounted to kEUR 2,139 (previous year: kEUR 1,683).

12/31/2012	Kfz-Leasing	Miete	Support
RTT AG	121	655	0
RTT Asia-Pacific	0	1	1
RTT China	0	148	0
RTT K.K.	0	262	0
RTT USA	19	75	5
Bunkspeed	0	116	1
KEUR	**140**	**1.257**	**7**

3. Related parties disclosures

IAS 24 defines related parties as individuals or companies which can be influenced by the reporting company, or which can exert influence on the reporting company.

No business transactions occurred between the Group and related parties in the 2013 and 2012 financial years. Current compensation for the Managing Board amounted to kEUR 867 in the 2013 financial year.

4. Transactions of particular significance after the balance sheet date

After the end of the 2013 financial year, three significant business transactions occurred that are relevant for the report on events after the balance sheet date.

Acquisition of RTT AG by Dassault Systèmes S.A.

On January 13, 2014, Dassault Systèmes S.A., through its indirect subsidiary 3DS Acquisition AG, completed the takeover of a majority interest of 84 percent in Realtime Technology AG. As the result of the public takeover offer for

On January 13, 2014, Dassault Systèmes S.A., through its indirect subsidiary 3DS Acquisition AG, completed the takeover of a majority interest of 84 percent in Realtime Technology AG. As the result of the public takeover offer for the outstanding shares of RTT against EUR 40.00 in cash per share, the investment of 3DS Acquisition AG was increased to an approximately 93 percent majority interest as of the date when the combined management report was submitted.

Capital increase arising from stock option program

On February 11, 2014, RTT's share capital was increased by EUR 300,000.00, from EUR 4,480,070.00 to EUR 4,780,070.00. The share capital is now split into 4,780,070 registered shares. This capital increase was implemented against cash capital contributions, with shareholders' subscription rights being excluded.

Changes to RTT's Management and Supervisory boards

Monica Menghini, Executive Vice President at Dassault Systèmes, was appointed to RTT's Managing Board on January 22, 2014. On February 27, 2014, RTT and Dassault Systèmes S.A. announced the appointment of Roberto Schettler to be the CEO of the RTT Group. Roberto Schettler has been a member of RTT's Managing Board since August 2010. Ludwig A. Fuchs, RTT co-founder and Managing Board member, relinquished his post with effect as of March 01, 2014.

After the previous Supervisory Board members had relinquished their mandates, Bernard Charlès, Dr. Mario Ohle, Andreas Barth, Didier Gaillot, Philippe Laufer and Samia Sellam were appointed by the court to the Supervisory Board as of March 13, 2014. The new Supervisory Board Chairman is Bernard Charlès, and the new Deputy Supervisory Board Chairman is Dr. Mario Ohle. On March 31, Bernard Charlès was appointed to be the new Supervisory Board Chairman, and Dr. Mario Ohle was appointed as the Deputy Supervisory Board Chairman.

5. Auditor's fee

The following fees were incurred in the 2013 financial year for the auditor in the meaning of Section 318 of the German Commercial Code (HGB):

KEUR	2013	2012
Auditing of financial statements	87	85
Other certification services	0	0
Tax advice services	83	8
Other services	8	28
Total	**178**	**121**

6. The company's boards

The executive bodies of Realtime Technology Aktiengesellschaft are composed as follows:

Management Board:

Mr. Roberto Schettler, engineering graduate, Starnberg	Sales, Professional Solutions
Mrs. Monica Menghini, Paris / France	Executive Vice President, Corporate Strategy, Industry & Marketing, Dassault Systèmes (since January 2014)
Ludwig A. Fuchs, business studies graduate, Munich	Personal, Finanzen, Marketing, Technologie (until February 2014)

Supervisory Board:

Mr. Bernard Charlès	Präsident und CEO of Dassault Systèmes SA (Chairman since March 2014)
Mr. Dr. Mario Ohle	lawyer and partner at Taylor Wessing Germany (Deputy Supervisory Board Chairman since March 2014)
Mr. Andreas Barth	I CEO of 3DS Acquisition AG and Managing Director of Dassault Systemes Deutschland GmbH (since March 2014)
Mr. Didier Gaillot	consultant (since March 2014)
Mr. Philippe Laufer	Iengineer, CATIA CEO ofi Dassault Systèmes SA (seit März 2014)
Mrs. Samia Sellam	lawyer and Corporate Director at Dassault Systèmes SA (since March 2014)
Mr. Prof. Dr. Ulrich Göhner	Head of Software Solutions at DYNAmore GmbH (Chairman until June 2013)
Mr. Prof. Dr. Marcus Englert	General Partner at Atlantic Capital Partners GmbH (Supervisory Board Chairman since June 2013 and until March 2014)
Mr. Tim Bunting	Partner at Balderton Capital (until March 2014)
Mr. Peter Conzatti	Senior Portfolio Manager at Lupus alpha Asset Management AG (until March 2014)
Mr. Jürgen Kunz	Managing Director of ORACLE Deutschland B.V. & Co. KG (until March 2014)

Mr. Dr. Ralf Schnell	CEO of the venture capital unit of Siemens Financial Services (SFS VC) and Managing Director of Siemens Venture Capital GmbH (until March 2014)
Mr. Christoph Karrasch	engineering graduate, founder and former Management Board member of RTT AG (since June 2013 until March 2014)

7. Supervisory Board compensation

Supervisory Board compensation amounted to kEUR 106 in the financial year under review (previous year: kEUR 121)

8. Number of employees

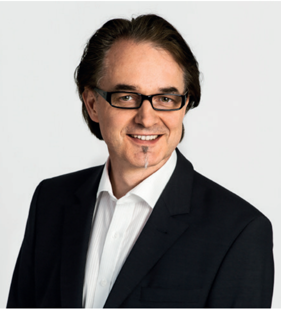
The company employed an average of 753 staff in the 2013 financial year (previous year: 627).

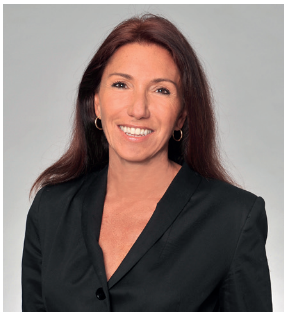
Munich, June 04, 2014

Realtime Technology Aktiengesellschaft

Roberto Schettler

Monica Menghini





AUDITORS' CERTIFICATION

We have audited the consolidated financial statements prepared by the Realtime Technology Aktiengesellschaft, Munich – comprising the balance sheet, the statement of comprehensive income, statement of changes shareholders in equity, cash flow statement – and the notes to the consolidated financial statements, together with the group management report, which is combined with the management report of the Realtime Technology Aktiengesellschaft, Munich, for the business year from January, 01 to December 31, 2013. The preparation of the consolidated financial statements and the combined management report in accordance with the IFRS, as adopted by the EU, and the additional requirements

of German commercial law pursuant to § (Article) 315a Abs. (paragraph) 1 HGB (»Handelsgesetzbuch«: German Commercial Code) are the responsibility of the parent company's Management Board. Our responsibility is to express an opinion on the consolidated financial statements and the combined management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with § 317 HGB and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the consolidated financial statements in accordance with the applicable financial reporting framework and in the combined management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Group and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related

internal control system and the evidence supporting the disclosures in the consolidated financial statements and in the combined management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the annual financial statements of the companies included in consolidation, the determination of the companies to be included in consolidation, the accounting and consolidation principles used and significant estimates made by the company's Management Board, as well as evaluating the overall presentation of the consolidated financial statements and the combined management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion based on the findings of our audit the consolidated financial statements comply with the IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to § 315a Abs. 1 HGB and give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with these provisions. The combined management report is consistent with the consolidated financial statements and as a whole provides a suitable view of the Group's position and suitably presents the opportunities and risks of future development.

Munich, June 04, 2014

PricewaterhouseCoopers
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

Holger Graßnick	ppa. Marc Tedder
Auditorr	Auditor

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