Interim Report

H1 2012

GK SOFTWARE

Summary of Consolidated Results

	30.6.2012	30.6.2011	31.12.2011
Sales (K EUR)	16,235	14,445	31,753
Total operating revenue (K EUR)	16,723	15,134	33,242
Operating performance (K EUR)	17,292	15,679	33,971
EBIT (K EUR)	2,995	2,478	6,654
EBIT margin (on sales)	18.5%	17.2%	21.0%
EBIT margin (on total operating revenue)	17.3%	15.8%	19.6%
EBT (K EUR)	2,985	2,446	6,569
Annual net income (K EUR)	2,176	1,627	4,564
Earnings per share (weighted) (EUR)	1.22	0.91	2.55
Equity ratio	66.3%	60.6%	64.9%
Net debt (K EUR)	(11,391)	(11,442)	(8,617)

1 In the first half year 2011 and in the first half year 2012 there where 1.790.000 shares were in circulation.

Contents

Stephan Kronmüller
Deputy CTO

André Hergert
CFO

Rainer Gläß
CEO

Michael Jaszczyk
CTO

Oliver Kantner
COO

To the Shareholders

Letter from the Management Board

Dear shareholders,

We are pleased to report that GK SOFTWARE[1] once again got off to a flying start in the first half of fiscal year 2012. Both sales and revenues were up considerably year on year: At EUR 16.24 million, sales were up 12 percent on the first half of 2011 (EUR 14.44 million). Operating performance, at EUR 16.72 million, exceeded that of the first half of 2011 by a good 10 percent (EUR 15.13 million). EBIT (approximately EUR 3 million) saw particularly strong growth, topping the prior-year figure (EUR 2.48 million) by more than 20 percent. The resulting EBIT margin now comes to 18.5 percent (prior year: 17.2 percent) and is in line with our expectations. These half-year results provide a very good basis for reaching the forecast goals we set ourselves for 2012, allowing us to reconfirm our forecast for the current fiscal year as reported in our 2011 Annual Report.

The first half of the year under review continued to be marked by strong competition, but this did not stop us from making use of the opportunities presented to us, enabling us to win new projects and continue to develop our existing customer base. At the start of 2012, we succeeded in convincing Tally Weijl, a leading international fashion retailer with more than 760 stores in 31 countries worldwide, of the advantages of our solutions. This means that we have won yet another important fashion project, thus proving the strengths of our range of solutions for this key retail segment.

Not long after that, SAP won Valora Retail – one of the most important operators of small retail formats in Europe, operating some 2,700 kiosks and other small store concepts in heavily-frequented locations – for our POS solution. Within Switzerland, Germany, Luxembourg and Austria, the small stores operated by Valora Retail include kiosks, convenience stores and restaurants. Valora is the leading provider of standardized small retail locations in highly-frequented locations in the German-speaking world and is Europe’s second-largest micro retailer. SAP therefore won us our first-ever project from outside Germany, not long after being approved for distribution in the German-speaking world.

We also successfully developed existing projects in the first half of 2012. Work on current projects continued on schedule and was reflected in the increasing number of productive installations, which has now topped 140,000. A number of long-standing customers have also made the decision to go with the new solutions provided by our GK/Retail suite, a fact that meant that our existing customer business also proved a success.

Our mobile checkout system was also boosted by a key customer using the solution at the London Olympics, the first time that the GK/Retail Mobile POS had ever been put to large-scale productive use outside Germany. Our new GK/Retail Open Scale solution was officially approved by the PTB (Physikalisch-Technische Bundesanstalt – Germany's national metrology institute) at the beginning of 2012, meaning that it may now be sold actively. The new weighing solution allows retailers to choose between different scales without creating separate software islands. We are currently working together with Bizerba and another leading scale manufacturer on receiving PTB approval, which will again significantly increase our solution’s sales potential.

In the partner business, we have also taken steps to intensify our relationships with implementation partners, who will help us to deliver future international projects. We are also working very hard to make the necessary adjustments to our solutions as well as prepare training courses and units etc.

Our expectations for fiscal year 2012 remain unchanged as against the forecast made in the 2011 Annual Report. The ongoing far-reaching negotiations with numerous potential customers at home and abroad indicate that the positive development of the company will continue in the future. We assume that sales will continue to rise significantly if business developments are positive in fiscal 2012. We expect levels of profitability to be similar to those recorded during the last few years.

1 Whenever the term GK SOFTWARE is used, it refers to the consolidated group. The same applies to the term "the company." When GK SOFTWARE AG is used, it refers exclusively to the single company.

But this forecast is subject to the proviso that no extraordinary events take place, which could negatively impair the overall economy or the retail sector. However, we remain confident in 2012 that we will continue to be well prepared to respond to the needs of retailers with our excellently positioned product portfolio.

We are delighted to know that you are accompanying GK SOFTWARE AG along its pathway of growth and we would like to thank you for placing your confidence in us.

The Management Board

Rainer Gläß
(CEO)

André Hergert
(CFO)

Michael Jaszczyk
(CTO)

Oliver Kantner
(COO)

GK SOFTWARE AG Shares

Development of GK SOFTWARE shares in comparison to the TecDax
from 19 June 2008 to 24 August 2012, indexed, in percent

Basic data

Basic data	
Securities Identification Number (WKN)	757142
ISIN	DE0007571424
Trading symbol	GKS
GK SOFTWARE AG IPO	19 June 2008
Type of shares	Ordinary stock in the name of the holder without any nominal value (individual share certificates)
Trading markets	Frankfurt and XETRA
Market segment	Regulated Market (Prime Standard)
Designated Sponsor	ICF Kursmakler AG
Number of shares	1,790,000
Share capital	EUR 1,790,000
Free float	42.49 %
Highest price in 2012	EUR 44.00 (4 April 2012)
Lowest price in 2012	EUR 33.69 (9 August 2012)

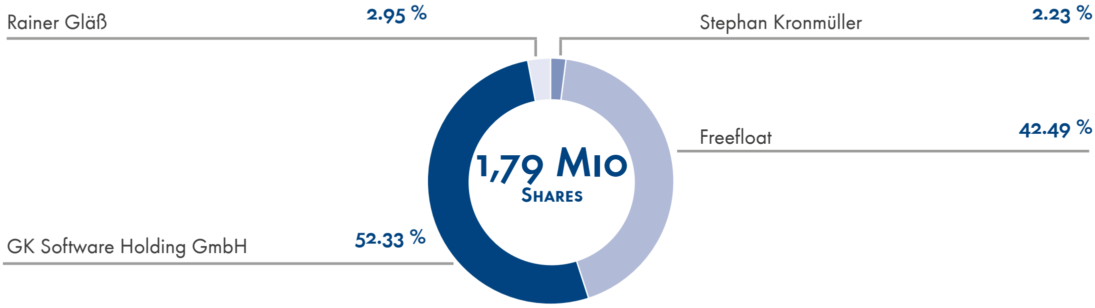
Summary/Share Performance

The value of GK SOFTWARE AG shares, which are traded on the Prime Standard on the Frankfurt stock exchange, dipped slightly during the first half of 2012. After exceeding the level seen at the beginning of the year in February and April, the share price turned downwards starting in May in keeping with the general trend. The share price only benefited temporarily from the general upturn that took hold starting in mid-June before slipping once more. However, this was followed by another slight upward trend at the beginning of August. The value of the shares at the end of the reporting period on 30 June 2012 was 37.55 euros. This corresponds to a market capitalization figure of approx. 67 million euros.

Shareholder Structure

GK SOFTWARE AG has a very stable shareholder base, which allows the company to pursue sustainable, longterm growth. The structure of shareholders on the reporting date of 30 June 2012 was as follows: The founder and CEO Rainer Gläß directly held 2.95 percent of the shares. Stephan Kronmüller, also a company founder and former CTO on the Management Board, directly held 2.23 percent of the shares. 52.33 percent of the shares were owned by GK Software Holding GmbH, which was indirectly equally shared by the company partners Rainer Gläß and Stephan Kronmüller. This meant that

Shareholder Structure
of GK SOFTWARE AG on 30 June 2012



42.49 percent of the shares were in free float on 30 June 2012.

The company was informed about the following stockholdings in GK SOFTWARE AG, which exceed the threshold level of 3 percent:

- Andreas Bremke GmbH, Arnsberg, 3.99 percent (on 16 August 2011)
- Scherzer & Co. AG, Köln, 5.23 percent (on 6 März 2012)

Directors Dealings

None during the reporting period.

Investor Relations

GK SOFTWARE AG deliberately opted to have its shares listed on the most strictly regulated sector of the Deutsche Börse, the Prime Standard, for its IPO in the summer of 2008. From the outset, the highest levels of transparency towards its investors and all the other capital market participants have been some of the most important principles at the company.

André Hergert, the CFO, is responsible for the investor relations business and he has his own department that reports to him. This guarantees that any enquiries from investors and potential investors are answered immediately.

GK SOFTWARE AG also attaches great importance to providing an ongoing flow of information for the future. Among other things, this means drawing up quarterly, half-yearly and annual business reports in German and English, publishing a financial calendar and promptly publishing ad-hoc reports and corporate news items. The accounting system has been adapted to the international IFRS accounting standards and this meets investors' needs for information. As in previous years, GK SOFTWARE AG is also planning to hold its annual analyst conference during the Frankfurt Equity Capital Forum. Investor and press road shows also take place at regular intervals so that the company remains in permanent contact with the capital markets.

Consolidated Interim Report

Business Report

Business and General Conditions at GK SOFTWARE

Corporate Structures and Shareholdings

- Six business locations in Europe and sales branches in the USA and Russia
- Both founders play an active role in the company

GK SOFTWARE AG is one of the world's leading technology companies for software for the retail sector with a special focus on solutions for companies with local stores. GK SOFTWARE AG and its predecessor, G&K Datensysteme GmbH, have been operating in the market place for more than twenty years now. G&K Datensysteme GmbH was founded by Rainer Gläß and Stephan Kronmüller in 1990 and this then became GK SOFTWARE AG in 2001. The company's IPO took place in the Prime Standard segment of the Frankfurt Stock Exchange in 2008.

The company's headquarters has been located in Schöneck/Vogtland since it was founded. The company has its product development department, project management and third-level support facilities at this base in addition to administration services. SQ IT-Services is also based at this location. It was founded in 2009 to handle the takeover and integration of the assets of the Solquest GmbH. Schöneck is also home to 1. Waldstraße GmbH which was set up in preparation for the launch of new business activities and is also a 100 percent subsidiary of GK SOFTWARE AG.

GK SOFTWARE AG has a subsidiary based near Checkpoint Charlie, Berlin, which manages all marketing, sales and partner activities, and is also home to our user help desk as well as the location of some of our software development work. The company also has other facilities based in St. Ingbert (Saarland) and Cologne, both of which develop software; the St. Ingbert facility also provides assistance for SQRS solution customers.

The group's second largest business location has been located in Plzen in the Czech Republic for more than ten years. Software production and research & development are carried out at the 100 percent subsidiary, EUROSOFTWARE s.r.o. Major work on programming and technological further developments for the solutions provided by GK SOFTWARE AG take place at the Plzen base.

GK SOFTWARE AG has another 100 percent subsidiary in Switzerland in the shape of Store-Weaver GmbH.

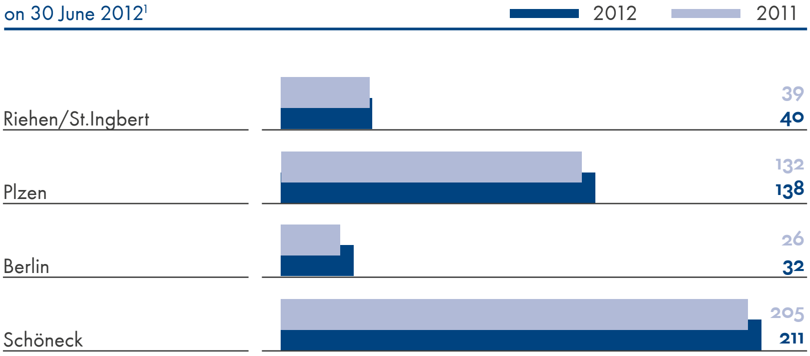
Group structure
at GK SOFTWARE AG

In Russia, a 100 percent sales and project subsidiary, OOO GK SOFTWARE (RUS), has been established, while a company-owned sales office is also based in the United States.

The GK SOFTWARE AG Management Board includes the company founder, Rainer Gläß (CEO) André Hergert (CFO), Michael Jaszczyk (CTO) and Oliver Kantner (COO).

The three-man GK SOFTWARE AG Supervisory Board is led by the Chairman Uwe Ludwig. He has been a member of the Supervisory Board since 2001. Thomas Bleier has been part of the Supervisory Board since 2003. He holds the title of Deputy Chairman of the Supervisory Board. Herbert Zinn was elected to the Supervisory Board at the annual shareholders' meeting in 2011.

Distribution of employees at group business locations
on 30 June 2012[1]



Human Resources

- More employees
- New facility opened in Cologne
- Trainee and further training programs for members of staff

424 employees were employed within the group at the reporting date on 30 June 2012. This means that 21 more members of staff were employed in comparison with the same reporting date in the previous year (403). The growth rate is therefore 5.2 percent. The growth in the number of new projects has been matched by the strong expansion in the numbers of people employed by GK SOFTWARE.

About half the Group's employees work at corporate headquarters in Schöneck (212 – this follows a figure of 205 on the reporting date in the previous year).

The second largest GK SOFTWARE AG business location and the third largest within the Group is based in St. Ingbert; 40 people were employed there on the reporting date (39 in the previous year).

The Berlin offices now have 32 employees, following a figure of 26 on the reporting date in the previous year. Because the opportunities of finding the specialist staff that are required are good in Berlin, the company will continue to pursue its course of expanding this branch in the future too. A new facility, which will primarily employ software developers, was also opened in Cologne in 2012 for the same reason.

The Czech subsidiary EUROSOFTWARE s.r.o. in Plzen had 138 employees (132 in the previous year) on the reporting date.

The OOO GK SOFTWARE (RUS) has one permanent employee as well as theStoreWeaver GmbH in Riehen/Switzerland. The sales office in the USA now has two freelance workers.

The Management Board believes that the number of employees will continue to grow at a moderate pace in the future.

Huge investments have been made in training and developing employees for years in order to be able to control and boost sales growth at GK SOFTWARE AG from a human resources point of view too. The successful one-year trainee program to deliberately establish qualified members of staff has been continued. One young people was taking part in this course at the reporting date on 30 June 2012. The program is

1 Two other employees work at the branches in Moscow and Riehen and are not shown here.

designed to offer places for five to seven participants on average each year. Two trainees are also currently employed at GK SOFTWARE AG. The number of trainees has grown in the meantime to five.

The range of solutions provided by GK SOFTWARE

- Two mainstay products within the GK/Retail Business Suite
- New GK/Retail Open Scale product line is ready for the market
- New solutions presented for iOS and Android

The various GK SOFTWARE products are fully integrated in the GK/Retail Business Suite. They are fully based on Java and open standards and can therefore operate on any kind of hardware and operating system.

GK SOFTWARE is currently selling Version 12 of the GK/Retail Business Suite. The makeup of the business suite was revised in conjunction with the sale of a number of software solutions by SAP. It is now possible to classify each solution better. The GK/Retail Business Suite is arranged on two main pillars. One of them involves the StoreWeaver Enterprise Edition (EE). The other one covers the Store Operations.

StoreWeaver Enterprise Edition

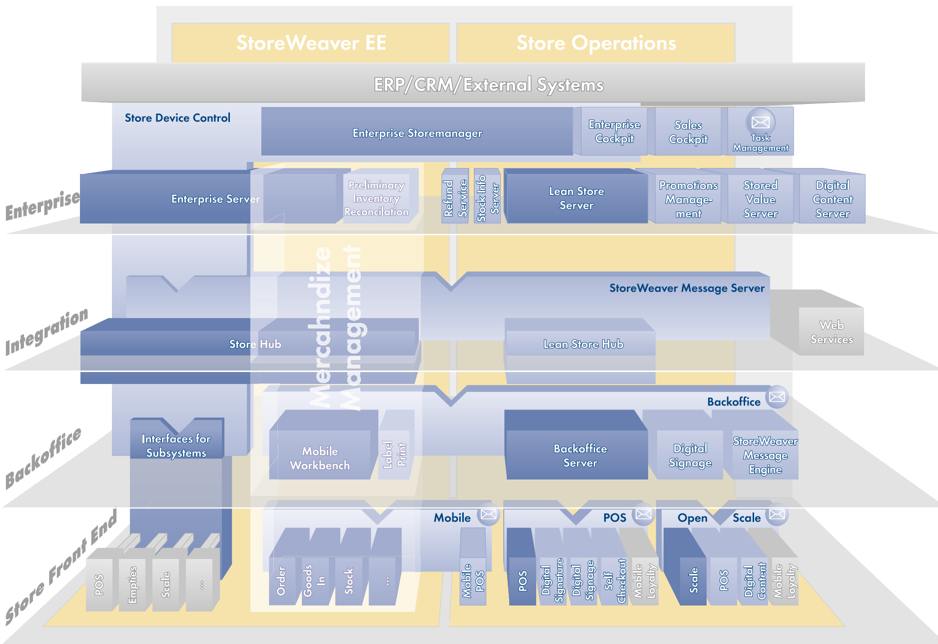
StoreWeaver Enterprise Edition comprises the Store Device Control and Mobile Store Processes components. It is closely linked to the solutions in the Store Operations area, but can be used in complete isolation from this.

- **GK/Retail Store Device Control** provides the end-to-end link within the complete store peripheral equipment, for instance, tills, scales or automatic empties machines. The software handles the automatic distribution of data to all the systems in a store with a direct link to the leading SAP system. This guarantees that any changes to master data (e.g. prices) are available on the correct system within the store at the right time. At the same time, the software ensures that the central systems are supplied with what is known as transaction data (e.g. sales data). The link for the various subsystems in a store is provided through standardized peripheral heads, on to which solutions from different manufacturers can be docked. The Enterprise Storemanager guarantees the central management of the overall systems landscape. The Enterprise Cockpit handles the monitoring work across the systems. Both solutions can also be used outside the StoreWeaver Enterprise Edition in the field of Store Operations.
  The complete software component is sold by SAP under the name "SAP Store Device Control by GK."
- **GK/Retail Mobile Merchandise Management Processes** covers the store management processes, which can be made available directly to mobile terminals on the floor of the store or in the stock area. The processes, which can be provided online or offline, rely on a leading central system like SAP. They allow the stores to be linked end-to-end with enterprise headquarters in almost real time and manage all the necessary business processes like deliveries, merchandise planning, inventories or automatic label printing.
- This software component is sold by SAP under the name "SAP Offline Mobile Store by GK."

Store Operations

The GK/Retail Store Operations software provides solutions for use in stores and enterprise headquarters in the retail trade. They are designed to handle all the business processes at tills, shelves, in the stock areas or the back office in the best possible way and manage and monitor complex store structures from enterprise headquarters. All the software solutions are coordinated with each

GK/Retail
Business Suite



other and can be used by customers as a complete package or separately. The following solutions form part of this product line:

- **GK/Retail POS** iis the market-leading solution for operating till systems. The application guarantees secure handling for all business processes at tills (POS = point of sale) and provides extensive back office functions for managing money, store administration or reporting purposes. Special editions of this software can also be used for mobile devices or self-checkout systems. SAP sells the software under the name "SAP Point of sale by GK."
- **GK/Retail Mobile POS** is a new and innovative software solution for till use on devices using the iOS operating system (iPhones, iPods, iPads). The company software handles all the processes available on stationary tills and Parfümerie Douglas is already testing it in a productive environment. Mobile POS is available as specific individual developments for iPods/iPhones and iPads.
- **GK/Retail Open Scale** is a new software solution within the GK/Retail Business Suite. It is based on the same technical concepts as the other software solutions and is a self-contained application for all kinds of open PC scales. It enables the retail sector to use end-to-end IT structures and be free to select scales from any hardware supplier. This software has been certified for use by the PTB (Prüftechnische Bundesanstalt – Germany's National Metrology Institute).
- **GK/Retail Taskmanagement** ensures that information can be automatically distributed simultaneously and in a controlled fashion, e.g. regarding recalls of items, corporate-wide announcements or other information. The module, which has been specially designed for the needs of companies with many stores, allows a very fast and end-to-end flow of information and can also be used on mobile units.
- The **GK/Retail Lean Store Server** allows all the back office servers to be centralized. This means that an important part of the IT systems can be moved out of the stores to enterprise headquarters. This opens up considerable potential for store-based corporations, as they can use more powerful servers, for example, and servicing and maintenance costs can be significantly reduced. GK SOFTWARE AG is the world's leading company for the centralization of background systems for store-based corporations.
- **GK/Retail Enterprise Storemanager** is the market leading software, which provides administration and technical monitoring facilities for major store networks, which may operate in different countries. The software allows corporations to manage and monitor thousands of stores in many countries and is an important unique selling feature of the GK/Retail Business Suite.
- **GK/Retail Enterprise Cockpit** provides managers with a very fast summary of technical and specialist key performance indicators. This means that technical breakdowns in stores are recognized immediately and sales data (e.g. volumes of sales) can be evaluated in real time. This

solution provides corporate-wide transparency with regard to the status of systems in stores and supplies central business management data.

- **GK/Retail Enterprise Promotions Management** is a complete solution for designing, carrying out and managing corporate-wide promotions and special offers. It can be used, among other things, to manage discounts on customer card systems or the acceptance of many kinds of coupons at tills.
- **GK/Retail Stored Value Server** guarantees secure, corporate-wide administration services for all the gift cards that have been issued. It provides a central database for supplying all the gift card information within the complete corporation and also handles all the processes related to electronic gift cards.
- **GK/Retail Digital Content Management** is the central software solution for distributing multimedia content to various output devices within the complete corporation. This means that photos, slide shows or videos can be distributed to the relevant systems within the company. The system also allows pure text messages to be sent (e.g. for electronic shelf labels).
- **GK/Retail Sales Cockpit** prepares all the relevant key performance indicators for the various management levels at a retail corporation from a sales point of view in real time. This software can also be used on mobile devices like iPads.

The SQRS Software Package

When the company took over the assets of the former company Solquest GmbH, it also took over its software package – Solquest Retail Solutions (SQRS), which is being used by eight customers at approx. 10,000 installations. The particular high-performance features of the software lie in the fields of SAP integration and its mobile solutions. The SQRS software solutions are no longer being sold in order to keep the Group's product portfolio streamlined. But there are still permanent requirements, which are being handled by StoreWeaver GmbH, to cover existing customer relations. Alongside this, a medium-term migration path has been developed in order to provide a long-term perspective for the customers of the former Solquest GmbH company.

Further Development of Products

GK/Retail 12 was extended on schedule in line with the roadmap to include solutions elements, functions and interfaces to subsystems during the first half of 2012. The major focus included work on GK/Retail Open Scale, developments in various solutions for iPods/iPhones and iPads, and the new version of StoreWeaver Enterprise Edition. One of the focal points was the preparation of our solutions including the relevant documentation for implementing by partners.

Services

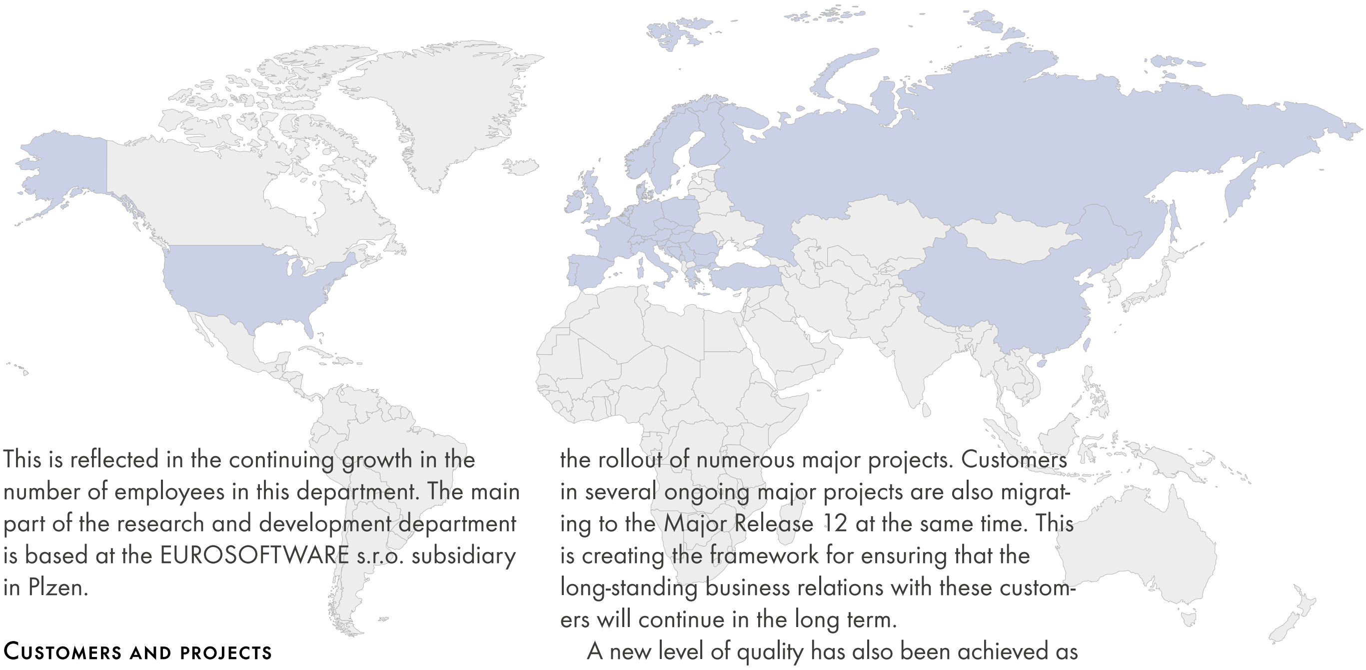
GK SOFTWARE AG not only provides products, but also extensive services. For example, they include analysis and advisory services when implementing new store solutions or adapting solutions that have already been introduced to the expanded demands of customers, like the integration of new bonus systems in till systems. The company also assumes responsibility for producing the documentation within projects and training people to handle the software products and providing the relevant project management services.

Another major feature includes the provision of maintenance and support services, the rollout and having engineers on standby.

Research and Development

■ Research and development as a strategic factor in the face of competitors

The ongoing developing of existing products and the development of new software solutions have been the corporate group´s major focus during the past few fiscal years and they will continue to be a strategic competitive factor in the future too.



This is reflected in the continuing growth in the number of employees in this department. The main part of the research and development department is based at the EUROSOFTWARE s.r.o. subsidiary in Plzen.

Customers and projects

- New international projects
- Key international fashion project
- Expansion of the installed base

Most of GK SOFTWARE's customers continue to come from the retail sector. The market sectors where the company is active are primarily the food retail sector, drugstores & household goods, fashion & lifestyle or consumer electronics & DIY. The company provides pre-configured solutions for cash & carry, department stores, discount/food stores, specialist retails and cell phone shops, which are customized to meet the needs of these segments. The products and services are geared for corporations of various sizes.

Important new projects in the first half-year 2012 - a summary:

- Valora (more than 2,700 stores in various formats) – after the end of the reporting period
- Tally Weijll (with more than 700 stores in more than 30 countries) – win at the turn of 2011/2012
- Pilot project at a number of productive Postbank branches
- Use of the of the mobile checkout system by a leading international sports goods retailer during the London Olympics
- A number of key follow-up projects with existing customers

The implementation of existing projects in the first half of 2012 was marked by, among other things, the rollout of numerous major projects. Customers in several ongoing major projects are also migrating to the Major Release 12 at the same time. This is creating the framework for ensuring that the long-standing business relations with these customers will continue in the long term.

A new level of quality has also been achieved as a result of what are now three joint projects completed with SAP. The successful completion of these projects is also one of the reasons why SAP is also expanding sales to other regions and this is significantly expanding GK SOFTWARE's potential.

Market and Competitive Environment

- Nominal growth in the retail sector of approx. 2.8 percent during the first half of 2012
- Growth of at least 1.5 percent expected in the retail sector for the whole of 2012

Business developments at GK SOFTWARE AG are largely determined by economic development within the retail sector in Germany and Europe. As a result, these, together with general trade industry investment needs and other factors, provide an important basis for forecasting the company's future development. Despite the impenetrable situation in the euro zone and the overall global economic situation, developments in Germany remain positive. During the first six months of the year, sales rose by 2.8 percent in nominal terms. Despite a favorable assessment of the retail situation, the generally rather conservative HDE (Handelsverband Deutschland – German Retail Federation) only expects growth of 1.5 percent for the year as a whole.[1] As this could mean exceeding record-breaking 2011, conditions in

1 http://de.reuters.com/article/topNews/idDE-BEE86U02A20120731

GK SOFTWARE AG's domestic market remain positive. Austria is also seeing an upward trend; growth in the first half of the year was at some 0.8 percent[1]. Switzerland is still struggling with a strong franc, although things are expected to pick up here in the second half of the year.

The situation is much more difficult for other euro countries and the United Kingdom: Both France and the Netherlands are seeing negative trends. Countries impacted directly by the crisis, such as Italy, Spain, Portugal and Greece, also report sharp drops in retail sales figures[2]. The United Kingdom saw modest signs of a return to rising sales, although it remains to be seen whether this trend will stabilize following the Olympics. The figures coming from the United States, however, were not good: The final three months of the first half of the year fell well short of expectations, even though they were still positive year on year[3].

This review shows that the retail industry remains comparatively robust in Germany – and Austria too, albeit to a lesser extent. This is also reflected in consumer sentiment: Although German consumer confidence has dipped, income expectations and propensity to spend remain high. The consumer climate therefore continues to be stable in Germany, with the retail industry being the primary beneficiary of this trend. In its recent "GfK-Konsumklima MAXX" (GfK Consumer Climate MAXX) study, GfK predicts that private consumption will climb by 1 percent in 2012[4]. This is also of high importance for Germany's macroeconomic development, as private consumption accounts for almost 60 percent of gross domestic product.

In contrast, Ernst & Young's most recent retail barometer (July 2012) shows that the number of German retailers who assess their current business situation as "rather poor" rose from 4 percent in September 2011 to 10 percent in July 2012. At the same time, the share of retailers considering their situation as very positive fell from 71 percent in March 2011 to 45 percent in July 2012. Despite this, 90 percent of the retailers surveyed assess their situation as good to very good[5]. Companies that characterize their situation as very good in particular have significantly increased their willingness to invest year on year. A third of the companies questioned (34 percent) believe that they will increase investments in the coming months,[6] up from only 20 percent back in September 2011.

Overall, investment needs within the retail sector remain high, as highlighted by the latest study published by the EHI Retail Institute and entitled "Till Systems 2012 – Factors, Background Information and Prospects".[7] The age of the software in use has risen again – almost 25 percent of the software solutions are more than 10 years old – and about one quarter of retailers are

1 http://www.wirtschaftsblatt.at/home/oesterreich/branchen/einzelhandel-erzielt-im-halbjahr-ein-reales-plus-527492/index.do
2 http://deutsche-wirtschafts-nachrichten.de/2012/07/30/eurozone-einzelhandel-bricht-wegen-arbeitslosigkeit-und-schwindender-kaufkraft-ein/
3 http://www.finanzen.net/nachricht/aktien/ROUNDUP-US-Einzelhandel-mit-schwachem-zweiten-Quartal-1954306f
4 http://www.gfk.com/group/press_information/press_releases/010116/index.de.html
5 http://www.ey.com/Publication/vwLUAssets/Studie_-_Handelsbarometer_2012/$FILE/Handelsbarometer%20EY%20Juli%202012.pdf
6 Ibid, p. 5.
7 EHI Retail Institute, Kassensysteme 2012, Köln 2012.

planning to issue calls for tenders or are already in the process of doing so.[8] Issues like touchscreens, real time links, mobile couponing or touchless payments, where GK SOFTWARE has outstanding expertise, are continuing to gain in importance. Even the self-checkouts, which seem to be moving more lowly in Germany than in other developed markets, slowly seem to be picking up speed.

Overall market developments remain mixed. The strength of GK SOFTWARE AG's domestic market offsets weaker international markets.

The company generally profits both during a positive situation, such as is the case in Germany at present, where retail IT budgets are high, and in situations when retailers invest to remain competitive when times are hard. However, retailers would welcome an international recovery, as this generally gives rise to greater investment volumes.

GK SOFTWARE's partners responsible for the international sale of solutions would also benefit from such a situation.

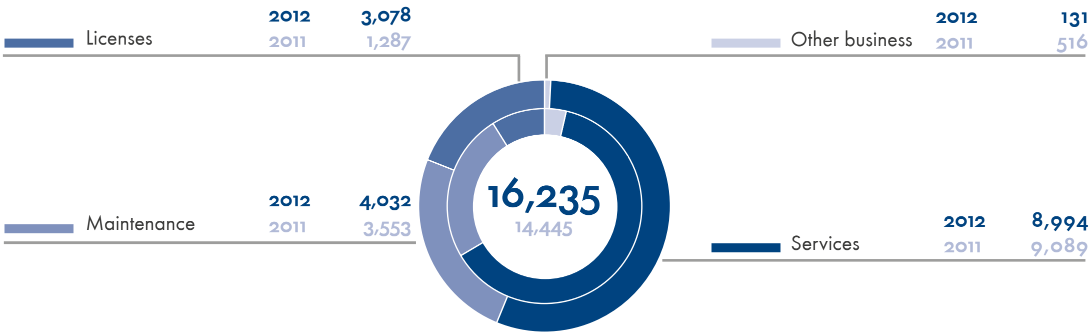
GK SOFTWARE is currently in a good position in several ongoing bids for tenders in Germany and abroad and has significant advantages over its rivals because of its broad product portfolio, the internationality of its software solutions and its proven ability to implement projects quickly.

By expanding sales activities to include the United States and Russia as well as intensifying SAP sales and extending other activities to markets that have not been focal points of activity thus far, the company has steadily increased its sales potential in recent years. The company therefore assesses its market situation as positive despite difficulties in some markets.

8 Ibid, p. 30f

K EUR	H1 2012		H1 2011		Change		Business Year 2011	
Sales with								
GK/Retail	15,311	94.3%	13,278	91.9%	2,033	15.3%	29,426	92.7%
SQRS	924	5.7%	1,167	8.1%	(243)	(20.8%)	2,327	7.3%
Total	**16,235**	**100.0%**	**14,445**	**100.0%**	**1,790**	**12.4%**	**31,753**	**100.0%**
Licences	**3,078**	**19.0%**	**1,287**	**8.9%**	**1,791**	**139.2%**	**8,295**	**26.1%**
of which								
GK/Retail	3,078	19.0%	1,287	8.9%	1,791	139.2%	8,295	26.1%
SQRS	–	0.0%	–	0.0%	–	0.0%	–	0.0%
Maintenance	**4,032**	**24.8%**	**3,553**	**24.6%**	**479**	**13.5%**	**8,746**	**27.5%**
of which								
GK/Retail	3,292	20.3%	2,786	19.3%	506	18.2%	7,201	22.7%
SQRS	740	4.6%	767	5.3%	(27)	(3.5%)	1,545	4.9%
Services	**8,994**	**55.4%**	**9,089**	**62.9%**	**(95)**	**(1.0%)**	**14,468**	**45.6%**
of which								
GK/Retail	8,812	54.3%	8,700	60.2%	112	1.3%	13,707	43.2%
SQRS	182	1.1%	389	2.7%	(207)	(53.2%)	761	2.4%
Other business	**131**	**0.8%**	**516**	**3.6%**	**(385)**	**(74.6%)**	**244**	**0.8%**
of which								
GK/Retail	129	0.8%	505	3.5%	(376)	(74.5%)	223	0.7%
SQRS	2	0.0%	11	0.1%	(9)	(81.8%)	21	0.1%

Development of sales distribution (half-year results)
between 2011 and 2012 in K EUR



Explanation of the Business Results and an Analysis of the Assets, Financial and Earnings Situation

Earnings Situation

- Successful first six months of the year: Sales above 16.24 million euros; net income for the period of 2.18 million euros
- Sales rose by nearly 12 percent
- EBIT margin on operating revenues: 18.5 percent

GK SOFTWARE got fiscal year 2012 off to a good start, continuing the trend of prior years.

Sales were up 12.4 percent year on year, from EUR 14.44 million to EUR 16.24 million. Earnings before interest and taxes jumped by almost 21 percent, from EUR 2.48 million to EUR 3.00 million, resulting in an EBIT margin of 18.5 percent (prior year: 17.2 percent). At EUR 2.18 million, consolidated results for the period were up a third on the comparable prior-year figure (EUR 1.63 million). Based on the number of shares issued in the first half of 2012, this results in EUR 1.22 per share (prior year: EUR 0.91 per share).

The EUR 1.80 million rise in total sales is as a result of the organic growth of the core GK/Retail solution business (in excess of 15 percent; up EUR 2.03 million) and the expected 20 percent or so decline (-EUR 0.24 million) in SQRS segment sales to EUR 0.92 million.

GK/Retail segment sales growth is primarily driven by license sales, which more than doubled to EUR 3.08 million (prior year: EUR 1.79 million). This rise was due to combining the workflows of numerous smaller projects. Maintenance sales also saw a welcome development, enjoying above-average growth of 13.5 percent to EUR 4.03 million and now making up almost 25 percent of total sales. At EUR 8.99 million, services sales remained fairly constant, down 1 percent year on year, although GK/Retail services sales rose slightly (1.3 percent to EUR 8.81 million). The first half of 2011 had featured dramatic growth; as a result, simply matching prior-year sales was a success in itself.

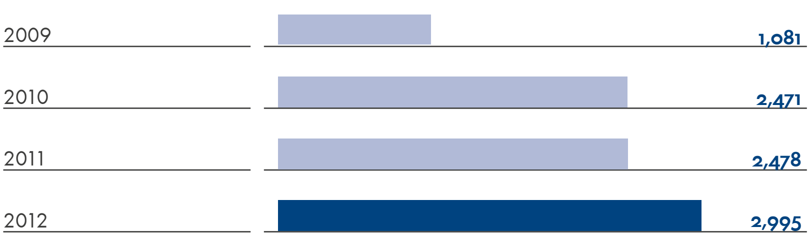
K EUR	H1 2012		H1 2011		Change
Sales revenues	16,235	93.9%	14,445	92.1%	1,790
Changes in stock of unfinished goods	–	0.0%	–	0.0%	–
Own work capitalized	487	2.8%	689	4.4%	(202)
Operating revenues	**16,722**	**96.7%**	**15,134**	**96.5%**	**1,588**
Other operating revenues	569	3.3%	545	3.5%	24
Total operating revenues	**17,291**	**100.0%**	**15,679**	**100.0%**	**1,612**

Other sales (EUR 0.13 million), resulting from forwarding hardware for some customers, remain of secondary importance.

SQRS segment sales development remains dominated by the reduced willingness of customers using this solution to invest, as shown by the expected decline in services income (from EUR 0.39 million to EUR 0.18 million). In contrast, maintenance sales, at EUR 0.74 million, remained essentially unchanged year on year (down EUR 0.03 million).

Operating performance rose due to the 12.4-percent rise in sales and the simultaneous drop in own work capitalized (by EUR 0.20 million or 29,3 percent), ending up at EUR 16.72 million after EUR 15.13 million in the prior-year period.

Development of the EBIT (half-year results)
between 2009 and 2012 in K EUR



The decline in own work capitalized is due to product development efforts made in the prior year, which did not need to be repeated in the current fiscal year.

Total operating revenues recorded a rise similar to the prior-year's operating performance, from EUR 15.68 million to EUR 17.29 million, due to a slight EUR 0.03 million rise in other operating revenues. The share of sales in operating performance rose from 92.1 percent to 93.9 percent, while the share of own work capitalized, i.e. the development of our software solutions, declined from 4.4 percent to 2.8 percent in the reporting period.

As the product investments agreed in 2011 had already been completed by the end of the first quarter of 2012, investment employees were moved to working on projects. This led to staffing increases being down as against operating performance. Nevertheless, new qualified development and project handling employees were once again taken on, meaning the Group's human resources expenditure therefore rose from EUR 8.92 million to EUR 9.32 million, corresponding to a human resources expenditure quota of 53.9 percent against 56.9 percent in the comparable prior-year period. Costs are therefore trending as planned.

Depreciation and amortization during the reporting period amounted to EUR 0.97 million (prior year: EUR 0.88 million), with the EUR 0.09 million rise primarily due to the planned increase in depreciation for own work capitalized.

Other operating expenditure amounted to EUR 3.60 million during the reporting period (prior year: EUR 2.68 million). The EUR 0.92 million rise is mainly due to one-off special project expenditure of EUR 0.70 million, which is recorded on the balance sheet as warranty reserves. The remaining increase is due to a number of smaller items. Costs relating to the expansion of business operations rose (travel expenses: up EUR 0.09 million; vehicle costs: up EUR 0.05 million).

As a result, the Group generated earnings before interest and taxes (EBIT) of EUR 3.00 million in the first half of 2012, exceeding the prior-year figure (EUR 2.48 million) by 20.8 percent. The financial result for the first half of 2012 came to EUR –0.01 million (prior year: EUR –0.03 million). Interest expenditure fell from EUR 0.14 million in the prior year to EUR 0.12 million in the reporting period. Interest income remained unchanged at EUR 0.11 million due to the overall low interest-rate level in the prior year.

It was possible to increase earnings before tax (EBT) from euros 2.45 million euros in the previous year to 2.99 million euros. After tax, net income for the period amounted to 2.18 million euros (1,63 million euros in the previous year).

by EUR 0.06 million as a result of scheduled depreciation, while intangible assets declined by EUR 0.13 million due to scheduled depreciation,

K EUR		H1 2012		H1 2011	Change
EBIT	2,995	18.5%	2,478	17.2%	20.8%
EBT	2,986	18.4%	2,446	16.9%	22.0%
Consolidated net income	2,176	13.4%	1,627	11.3%	33.7%

Based on the 1,790,000 shares issued on the reporting date, this provides earnings per share of 1,22 euros (the figure for the same period in the previous year based on the number of shares currently in circulation was 0.91 euros per share).

Assets Situation

At EUR 44.73 million, the consolidated balance sheet total as at June 30, 2012 was up almost 3 percent on the figure as of December 31, 2011 (EUR 43.47 million). This EUR 1.26 million increase was due to the EUR 2.50 million rise in cash and cash equivalents and the EUR 1.23 million drop in other current assets as well as non-current assets remaining largely stable (–0.1 percent). Corresponding financing changes were the EUR 3.07 million decline in non-current liabilities, the EUR 2.92 million climb in current liabilities as well as the EUR 1.41 million rise in equity. This increase is due to the planned repayment of a long-term bank loan. The "long-term" loan components, i.e. those due in more than one year, were reclassified as “short-term”. The company intends to refinance this loan at considerably more favorable terms in order to maintain the Group’s capacity to act.

At EUR 16.36 million, cash and cash equivalents exceeded liabilities encumbered with interest obligations (EUR 4.96 million) by EUR 11.40 million.

The change in non-current assets is mainly due to the EUR 0.17 million rise in operating and business equipment carrying amounts (pri-marily for infrastructure measures). At the same time, the carrying amounts for real estate and buildings fell which was not offset by the fairly low level of new acquisition. All in all, the carrying amounts of the non-current assets remained stable.

The decline in current assets is primarily caused by the fall in trade accounts receivable of 1.26 million euros in comparison with the figures on 31 December 2011 and receivables from work in progress amounting to 0.09 million euros. The reason for the fall is the settlement of invoices issued on the balance sheet reporting date in 2011 by customers and the completion of projects. On the other hand, other accounts receivable and assets rose by 0.12 million euros.

Cash and cash equivalents rose by 2.50 million euros from 13.86 million euros to 16.36 million euros in comparison with the figure at the end of 2011. The maintenance of adequate cash and cash equivalents is a high priority for the Management Board in order to be able to maintain the capacity to engage in commercial operations at GK SOFTWARE and the other companies within the Group in the face of potential opportunities and crisis situations.

Despite the net income for the period of 2.18 million euros, the equity only rose by 1.41 million euros in comparison to the figure at the end of 2011 to 29.64 million euros as a result of the dividend payment decided at the 2012 annual shareholders’ meeting of 0.50 euros per share.

K EUR	H1 2012		31 December 2011		Change
Non-current assets	14,116	31.6%	14,125	32.5%	(0.1%)
Current assets or cash and cash equivalents	14,257	31.9%	15,490	35.6%	(8.0%)
Cash and cash equivalents	16,355	36.6%	13,859	31.9%	18.0%
Assets	**44,728**	100.0%	**43,475**	**100.0%**	**2.9%**
Equity	29,639	66.3%	28,231	64.9%	5.0%
Non-current liabilities	3,553	7.9%	6,623	15.2%	(46.4%)
Current liabilities	11,536	25.8%	8,621	19.8%	33.8%
Liabilities	**44,728**	100.0%	**43,475**	**100.0%**	**2.9%**

Financial Situation

The cash flow from operating activities amounted to 4.75 million euros during the first half of the year, while an operating cash flow of 6.16 million euros was achieved during the reporting period in the previous year. The year-on-year decline was mainly as a result of the significant rise in income tax payments during the reporting period. While a total of EUR 1.18 million was paid to the fiscal authorities during the reporting period, only EUR 0.02 million was paid in the first half of 2011. The difference here was due to the assessments being made on differing dates as well as the change in net working capital: While changes in net current assets resulted in cash flow of EUR 3.03 million in the first half of 2011, this figure had dropped to only EUR 1.97 million in the first half of 2012. Not even the EUR 0.80 million rise in more narrowly defined operating cash flow was able to offset this.

The changes already made to investments in the development of own products led to a EUR 0.23 million decline in payments for in-vestments, resulting in a cash flow from investment activities of EUR −1.07 million in the first half of 2012.

Financing activities with cash outflows of EUR 1.17 million were marked by the dividend payment approved by the annual shareholders' meeting in 2012 (approximately EUR 0.90 million) and the scheduled repayment of loans (EUR 0.37 million) (prior year: outflow of EUR 1.27 million). This resulted in an inflow of EUR 2.50 million for the reporting period, after EUR 3.61 million in the prior-year period.

Report on Key Events after the Reporting Period

No major events have taken place since the end of the reporting period.

Report on Risks and Prospects at GK SOFTWARE

Risks

GK SOFTWARE deliberately takes entrepreneurial risks in order to be able to benefit from the opportunities presented by the market. In order to recognize, manage and minimize risks at an early stage, a risk management system have already been put in place. Among other things, the Management Board meets once month in order to identify possible risks and introduce counter-measures. The Supervisory Board is informed of the results of these discussions. On an operating basis, the relevant project managers provide information to the appropriate member of the Management Board about possible risks during the course of current projects. GK SOFTWARE AG believes that the degree of customer satisfaction and the number of new customer contacts are important indicators for assessing risks. So both these factors are subject to particular monitoring and are regularly checked as part of sales controls. This assessment of risks is being continually updated.

The assessment of the general economic situation by the Management Board has not changed since the publication of the 2011 annual accounts. Despite the positive news regarding developments in the economy in Germany in the second quarter of 2012, many comments suggest a further slow-down because of the subdued prospects for the global economy and therefore for the German economy, which depends on exports so heavily. As business developments for the group's customers depend on the general consumer climate in Germany and Europe, this also affects the prospects of GK SOFTWARE AG in a special way: The contradictory signals from the global economy make it difficult to assess overall ongoing economic developments. But it is comforting that current estimates predict moderate economic growth of one percent. The situation has been aggravated by the turbulence on the global financial markets, which has occurred since the reporting date and it is hard to assess how long this will last, how serious it will be or what consequences it may have for the real economy.

It is true that the forecasts issued by associations and analysts suggest that the retail sector will once again experience relatively calm developments in the overall stable economic environment, which has settled down considerably, but the psychological effects of what are contradictory news reports on the investment behavior of customers of GK SOFTWARE in an environment that is hard to appraise is difficult to evaluate – as was the case last year.

As a result, the Management Board is continuing to make efforts to maintain room to maneuver by making costs flexible and deliberate cost management.

On the basis of its customer structure and the structure of its target market, the consolidated group business is repeatedly dominated by individual major projects with a relatively low number of customers, so that these business relations provide significant contributions to sales and results within a fiscal year. The Management Board assumes that this will continue to be the case in the future too. If a business partner breaks off a project or falls into payment difficulties, this could have financial consequences for GK SOFTWARE. However, this risk is restricted by regular payment plans or agreemants for payments according to what are known as project milestones.

The ongoing consolidation of the retail sector market may lead to a reduction in the number of store networks in the short term, so that demand from the retail sector could rise. The retail sector in Germany is generally dominated by price wars. Retail companies therefore seek to pass on the resulting pressure on prices to their suppliers and contractual partners. This process is also felt for investments in IT equipment and may have an effect on producers of retail sector software. As GK SOFTWARE AG, however, provides solutions for a highly central function within retail sector groups, these risks are not classified as a threat to the company’s existence.

The planned expansion is also associated with certain financial risks. These mainly arise from preliminary payments made to acquire customers – by consolidated companies. In the course of any further expansion, the project business will have to be increasingly scaled and this should take place using partners. However, there are other risks when working with partners – not every process can be precisely controlled.

GK SOFTWARE AG does not rule out a situation where it partly acquires its products and sales base by deliberate acquisitions in order to complete the planned expansion of its business operations in the next few years. The consolidated group will exercise the maximum possible degree of prudence when preparing for and checking acquisitions. But it is impossible to completely eliminate the risk that an acquisition may have negative effects on the results at GK SOFTWARE.

To ensure further growth, the companies also need to attract additional highly qualified employees and we cannot rule out the possibility that members of staff in key positions will leave the consolidated companies. So it will be an ongoing challenge for the consolidated group to commit current staff to the firm and at the same time attract new, motivated specialists. GK SOFTWARE is making every effort to be an interesting employer for its existing employees by providing a combination of interesting tasks, international fields of operations with its innovative products and becoming one for the labor market. The IPO and the company’s reputation as an innovative IT corporation have increased the attractiveness of the group for the labor market.

Against the backdrop that the group is managing its capital – which includes both equity and all accounts receivable and payable – with the aim of guaranteeing that the group will be able to service its loans and debts at all times and provide adequate liquidity to secure investment projects and is attaching the greatest importance to maintaining capital, it is important to name the following further risks to business developments.

The financial risks not only involve loan default risks, but also liquidity and market risks. The maximum loan default risk corresponds to the carrying amount of the financial assets. However, the Management Board does not expect any loan defaults, which are not covered by the (slight) write-downs entered in the accounts, on account of its experience and ongoing contacts with debtors (our customers). In the light of the group's liquidity situation with a large surplus of cash and cash equivalents over and above liabilities with banks and other interest-bearing liabilities, the Management Board has not identified any liquidity risks. The following can be said with regard to identifiable market risks like currency or interest risks: The group only has foreign currency accounts receivable and payable to a very small degree in Czech crowns. They are listed in sections 3.3, 3.5, 3.13 and 3.16. Because of the low level of exposure, no currency risks need to be reported.

As far as interest risks are concerned, it must be said that all the financing instruments are all current, with the exception of the loans that have been taken out. So no interest risks need to be reported. The investment loans taken out before 1 January 2009 are guaranteed by means of hedging through interest rate capping tools to guarantee the interest conditions that have been agreed to. No guarantee of interest levels has been secured for the loans taken out during the course of fiscal 2009 because of the current capital market situation. However, the company will continue to monitor the situation and, if necessary, will adopt measures. In the light of this, the Management Board has not identified any interest risks that need to be reported. There are no other risk categories – because of the type of financial instruments used.

In addition to the risks already mentioned, there are other factors, which could also affect the sales and revenue situation. They include, for example, risks from current projects or warranty claims.

The Management Board did not believe at the end of the first half of 2012 that there were any risks that might pose a serious threat to the ongoing existence of GK SOFTWARE.

Opportunities

There are growth opportunities for the consolidated group both in Germany and abroad. The issues targeted by the products of GK SOFTWARE AG are key strategic IT projects that are high on the list of priorities at many retail companies. In order to be a success in the international market place, the consolidated group is well placed with plenty of good references from the German retail sector and a technically well-developed product. GK SOFTWARE AG products are already well represented on the international market and are being used at more than 140,000 POS units in 28,500 stores in 33 countries. GK SOFTWARE AG also has several major partners with excellent networks in the retail sector. This should make it easier to gain access to new customers in international markets like the USA or Asia. The consolidated group can make use of the experience that it has gained with its German customers, as the solutions have already been successfully introduced in 33 countries and therefore can be quickly transferred to foreign customers.

The growth prospects in Germany have not yet been exhausted either by a long way. The focus of GK SOFTWARE AG will be on new areas in the future. They include, for example, fast food chains, which would significantly increase the target group of potential customers. Fairly small and medium-sized chains of stores, which have not been a prime target in the past, provide further huge potential, particularly if standardized solutions are sold. Integrated and automated processes for optimizing inventories, managing them and efficient customer management systems can help reduce warehouse costs and increase customer loyalty. As a result, the retail trade will almost certainly invest in solutions that integrate all the business processes. Without standardization and simplification of the processes, retail companies' margins will come under pressure as well. Homogenized till systems and centralized data flows will therefore be very important to retailers in the future. GK SOFTWARE AG can clearly benefit from this investment behavior in the retail sector.

The consolidation process in the software industry with sector solutions for the retail trade has already started. GK SOFTWARE AG wants to play an active role in this process with its attractive range of products and solid financial backing.

Outlook

As the risk and opportunities profile for GK SOFTWARE has not changed since the presentation of the annual accounts for 2011, the Management Board continues to stand by its overall forecast provided at that time for fiscals 2012 and 2013. Despite this and the fact that it is impossible to reliably predict future development, the Management Board believes that it can estimate the Group's financial and earnings situation for 2012 in such a way to state that these will continue to improve on the back of additional expansion; it is also of the opinion that the financial situation will not pose any risks to the Group as a going concern. This assessment is, however, subject to the effects of developments, which the company is unable to influence, whether they are expected or come as a surprise, and they could have more than a minor effect on this forecast.

The pathway pursued during the last few years has strengthened the conviction of the Management Board that the strategy followed so far of placing the company business on a broader geographical footing and penetrating deeper into the domestic market at the same time is a successful approach. We therefore intend to continue to increase the share of sales made to companies, which have their management headquarters outside Germany, and at the same time serve our domestic market in Germany in a better and more comprehensive way by expanding into other retail segments not served so far and deepening business relations in sectors that have already been opened up.

If we observe the estimates made about the development of the overall economy and the retail sector, it is probable that we will be able to expand our sales in 2012. The Management Board therefore assumes that it will be able to maintain profitability levels within the target corridor of an EBIT margin of 18–20 percent.

If this development proves to be realistic, the Management Board is expecting to be able to continue to expand the GK/Retail business and sales will grow in line with this. The company is aiming to grow and maintain the profitability levels achieved during the last few years with an EBIT margin of approx. 18.5 percent related to sales. This kind of development could be negatively affected to a considerable degree by what is still an uncertain situation in the eurozone. If the overall economy gets into difficulties, it is possible that the retail sector will clearly reduce its willingness to make investments again and this could have a negative effect on results at GK SOFTWARE AG. However, just as was the case with our forecast in fiscal 2011 about the course of business during fiscal 2012, there are still no clearly recognizable signs, which could lead to any divergence from the growth course at GK SOFTWARE AG, from a German and European point of view.

We continue to expect significant sales growth for the GK/Retail business in 2013. We are expecting profitability levels to be maintained at the current margin level. Based on these expectations, we do not expect any erosion of the current excellent financial situation during 2013.


2 500
2 500
2 500

Consolidated financial statements

Consolidated Balance Sheet

on 30 June 2012

Assets

EUR	Notes No.	30.6.2012 (not audited)	31.12.2011 (audited)
Non-Current Assets			
Property, Plant and Equipment	3.1.	4,233,542.05	4,123,710.73
Intangible Assets	3.2.	9,407,451.31	9,540,196.70
Financial Assets		300.00	300.00
Active Deferred Taxes	4.9.	475,019.99	460,424.00
Total Non-Current Assets		**14,116,313.35**	**14,124,631.43**
Current Assets			
Trade Accounts Receivable	3.3.	10,040,243.78	11,300,926.80
Accounts Receivable from Ongoing Work	3.4.	550,800.00	644,136.67
Income Tax Assets		262,471.26	266,366.76
Other Accounts Receivable and Assets	3.5.	3,403,173.49	3,279,053.32
Cash and Cash Equivalents	3.6.	16,355,012.49	13,859,453.69
Total Current Assets		**30,611,701.02**	**29,349,937.24**
Balance Sheet Total		**44,728,014.37**	**43,474,568.67**

Liabilities

EUR	Notes No.	30.6.2012 (not audited)	31.12.2011 (audited)
Equity Capital	3.7.		
Subscribed Capital		1,790,000.00	1,790,000.00
Capital Reserves		14,304,468.73	14,177,069.73
Retained Earnings		31,095.02	31,095.02
Balance Sheet Profits		13,513,637.00	12,233,021.71
Total Equity Capital		**29,639,200.75**	**28,231,186.46**
Non-Current Liabilities			
Provisions for Pensions and Similar Obligations	3.8.	162,125.47	193,013.84
Non-Current Bank Liabilities	3.9.	1,335,250.00	4,408,500.00
Deferred Public Sector Subsidies	3.10.	958,617.56	991,700.25
Deferred Tax Liabilities	4.9.	1,096,920.39	1,029,658.66
Total Non-Current Liabilities		**3,552,913.42**	**6,622,872.75**
Current Liabilities			
Current Provisions	3.12.	1,573,802.62	915,737.93
Current Bank Liabilities		3,629,029.20	834,000.00
Trade Accounts Payable	3.13.	165,629.79	328,930.35
Initial Payments Received	3.14.	1,611,680.04	857,006.53
Income Tax Liabilities	3.15.	246,609.77	651,004.89
Other Current Liabilities	3.16.	4,309,148.78	5,033,829.76
Total Current Liabilities		**11,535,900.20**	**8,620,509.46**
Balance Sheet Total		**44,728,014.37**	**43,474,568.67**

Consolidated Income Statement

on 30 June 2012

EUR	Notes No.	30.6.2012 (not audited)	30.6.2011 (not audited)	31.12.2011 (audited)
Ongoing Business Divisions				
Sales Revenues	4.1.	16,235,289.84	14,444,940.85	31,753,349.73
Own Work Capitalized	4.2.	487,360.01	689,147.92	1,488,785.20
Other Operating Revenues	4.3.	569,032.01	544,522.80	728,693.49
		17,291,681.86	**15,678,611.57**	**33,970,828.42**
Materials Expenditure	4.4.	(405,714.78)	(722,746.82)	(611,089.74)
Human Resources Expenditure	4.5.	(9,324,554.97)	(8,916,532.98)	(18,601,324.61)
Depreciation and Amortization	4.6.	(970,163.08)	(877,732.97)	(1,946,886.31)
Other Operating Expenditure	4.7.	(3,595,806.58)	(2,682,673.43)	(6,157,727.59)
		(14,296,239.41)	**(13,199,686.20)**	**(27,317,028.25)**
Operating Results		**2,995,442.45**	**2,478,925.37**	**6,653,800.17**
Financial Results	4.8.	(9,874.67)	(32,452.29)	(85,004.43)
Results before Income Taxes		**2,985,567.78**	**2,446,473.08**	**6,568,795.74**
Income Taxes	4.9.	(809,952.49)	(819,026.46)	(2,004,541.63)
Net Income for Period		**2,175,615.29**	**1,627,446.62**	**4,564,254.11**
		11,338,021.71	7,668,767.60	7,668,767.60
Profits Carried Forward		**13,513,637.00**	**9,296,214.22**	**12,233,021.71**
Consolidated Net Profits		1,790,000	1,790,000	1,790,000
Non-Diluted Earnings per Share (EUR/share)	4.10.	**1.22**	**0.91**	**2.55**

Consolidated Results Accounts

on 30 June 2012

EUR	30.6.2012 (not audited)	30.6.2011 (not audited)	31.12.2011 (audited)
Consolidated period net income	**2,175,615.29**	**1,627,446.62**	**4,564,254.11**
Equity procurement costs	–	–	0.00
Tax effect of equity procurement costs	–	–	0.00
Other results	**–**	**–**	**0.00**
Total results	**2,175,615.29**	**1,627,446.62**	**4,564,254.11**
Allocation of total results to the owners of the parent company	**2,175,615.29**	**1,627,446.62**	**4,564,254.11**

Statement of Changes in Equity

on 30 June 2012

EUR	Subscribed Capital	Capital Reserves	Retained Earnings	Balance Sheet Profits	Total
Figures on 1 January 2011	**1,790,000.00**	**13,947,106.73**	**31,095.02**	**8,563,767.60**	**24,331,969.35**
Stock Option Program	0.00	102,563.00	0.00	0.00	102,563.00
Dividend Payments	0.00	0.00	0.00	(895,000.00)	(895,000.00)
Consolidated Net Income for the Halfyear	0.00	0.00	0.00	1,627,446.62	1,627,446.62
Figures on 30 June 2011	**1,790,000.00**	**14,049,669.73**	**31,095.02**	**9,296,214.22**	**25,166,978.97**
Net Income from 1 July until 31 December 2011	0.00	0.00	0.00	2,936,807.49	2,936,807.49
Stock Option Program	0.00	127,400.00	0.00	0.00	127,400.00
Figures on 31 December 2011	**1,790,000.00**	**14,177,069.73**	**31,095.02**	**12,233,021.71**	**28,231,186.46**
Stock Option Program	0.00	127,399.00	0.00	0.00	127,399.00
Dividend Payments	0.00	0.00	0.00	(895,000.00)	(895,000.00)
Net Income for Period	0.00	0.00	0.00	2,175,615.29	2,175,615.29
Figures on 30 June 2012	**1,790,000.00**	**14,304,468.73**	**31,095.02**	**13,513,637.00**	**29,639,200.75**

Consolidated Cash Flow Statement

on 30 June 2012

Cash Flows from Operating Business

K EUR	Notes No.	30.6.2012 (not audited)	30.6.2011 (not audited)	31.12.2011 (audited)
Cash Flows from Operating Business				
Consolidated period net profit		2.176	1.627	4.564
Income Taxes Affecting Results		810	819	2.005
Stock Option Program (non-cash expenses)		127	103	230
Correction in Tax Expenditure		–	–	–
Interest Income/Expenses Affecting Results		10	32	85
Profit/Loss from the Sale or Disposal of Property, Plant and Equipment		0	(1)	(3)
Reversals of Deferred Public Sector Subsidies		(33)	(32)	(62)
Write-Downs Recognized for Receivables		–	2	50
Write-Ups Recognized for Receivables		(30)	(198)	(54)
Amortization/Depreciation		970	878	1.947
Other Non-Cash Income and Expenditure		0	–	1
		4.030	**3.230**	**8.763**
Changes in Net Current Assets				
Changes in Trade Accounts Receivable and Other Receivables		1.479	7.213	2.015
Changes in Inventories		–	–	–
Changes in Trade Accounts Payable and Other Liabilities		(893)	(871)	855
Changes in Initial Payments Received		755	(3.310)	(5.630)
Changes in Provisions		627	1	187
Influx of Cash Provided by Operating Business		**5.998**	**6.263**	**6.190**
Interest Payments Received		46	43	99
Interest Paid		(116)	(131)	(266)
Income Taxes Paid		(1.182)	(17)	(1.276)
Net Cash Flow Provided by Operating Business (Transfer)		**4.746**	**6.158**	**4.747**

Cash Flow provided by financing costs, credits and means of payment

K EUR	Notes No.	30.6.2012 (not audited)	30.6.2011 (not audited)	31.12.2011 (audited)
Transfer (Net Cash Flow Provided by Operating Business)		**4.746**	**6.158**	**4.747**
Cash Flow from Investment Activities				
Payments for Property, Plant and Equipment and Non-Current Assets		(949)	(1.182)	(2.447)
Proceeds from disposals of fixed assets		0	1	5
Investment Subsidies Used		2	28	0
Disbursed Loans		(129)	(129)	(251)
Net Cash Outflow for Investment Activities		**(1.076)**	**(1.282)**	**(2.693)**
Cash Flow from Financing Activities				
Dividend Payments		(895)	(895)	(895)
Incoming Payments from Allocations of Equity Capital		–	–	–
Loans Taken Out		92	–	–
Repayment Installments for Loans		(370)	(370)	(741)
Net Income in Cash and Cash Equivalents from Financing Activities		**(1.173)**	**(1.265)**	**(1.636)**
Net Income in Cash and Cash Equivalents		**2.497**	**3.611**	**418**
Cash and Cash Equivalents at the Beginning of the Fiscal Year	5.	13.859	13.442	13.442
Impact of Changes in Exchange Rates on Cash and Cash Equivalents		(1)	2	(1)
Cash and Cash Equivalents at the balance sheet date	**5.**	**16.355**	**17.055**	**13.859**
Limited Available Funds	3.7.	10	20	34

10.5K euros were pledged as collateral for a guarantee as part of the rental contracts from business premises for the GK SOFTWARE AG branches in Berlin and Cologneat balance sheet date as of 30 June 2012.

Notes on the Consolidated Accounts

on 30 June 2012

1. Principles of Reporting

1.1. General Information

GK SOFTWARE AG is a joint-stock company based in Germany. The address of the registered headquarters and head office for business operations is Waldstrasse 7, 08261 Schöneck.

GK SOFTWARE AG is registered in the Commercial Register at Chemnitz Local Court under reference number HRB 19157.

The group's business involves the development and production and sales and trade in software and hardware. The group has developed from being an exclusively project-oriented to a product-oriented provider during the past few years.

The group manages its capital – which not only includes equity capital but all accounts receivable and accounts payable – with the aim of guaranteeing the group's ability to service its loans and debts and provide sufficient liquidity to maintain collateral for investment projects at all times. As a result, the group attaches the greatest priority to maintaining capital reserves.

These goals are monitored by tracking financial indicators (e.g. the current liquidity balance, net debts, capital turnover speed) for the target corridors. The aim of maintaining adequate capital is supported by investing cash and cash equivalents in a non-risk manner and derived financial instruments are only used to the extent that they are needed to provide collateral for actual business deals.

The consolidated group's major customers include:

- EDEKA Zentralhandelsgesellschaft mbH
- Coop Group
- Galeria Kaufhof GmbH
- HORNBACH-Baumarkt-AG
- Lidl
- Netto Marken-Discount AG & Co. KG
- Parfümerie Douglas GmbH
- SAP AG
- Tchibo GmbH
- Telekom Shop Vertriebsgesellschaft mbH
- Thalia Group
- X5 Retailgroup

1.2. Principles of Presentation

The interim consolidated accounts at GK SOFTWARE have been presented according to the International Financial Reporting Standards (IFRS) as they are used in the European Union (EU) and according to the additional regulations that need to be taken into consideration according to Section 315a Paragraph 1 of the German Commercial Code. The regulations in Section 37w of the German Securities Trading Act have also been taken into account in the presentation. The accounts for GK SOFTWARE AG and its subsidiaries are also included in the consolidated accounts, taking into consideration the approach and assessment methods that consistently apply to the Group.

Group accounts were first presented in line with IFRS on 31 December 2005.

The group accounts are presented in euros.

The breakdown of the balance sheet according to IFRS has been made according to the duration of the individual balance sheet items.

The two-statement approach (IAS 1.80(b)) has been selected for the overall financial statement. The group income statement is presented according to the total cost method of accounting.

GK SOFTWARE AG generally accounts for trade accounts receivable and accounts payable as current items on the balance sheet. Pension obligations are shown as non-current liabilities in line with their character.

Claims and liabilities for deferred taxes are shown as non-current items.

1.3. Consolidated Companies

The consolidated interim accounts include GK SOFTWARE AG and all the companies where GK SOFTWARE AG has majority voting rights among the shareholders.

The consolidated companies not only include the parent companyas well as SQ IT-Services GmH and 1. Waldstraße GmH (both being fully owned subsidiaries of GK SOFTWARE AG) but also three companies based abroad (EUROSOFTWARE s.r.o., Plzen/Czech Republic, StoreWeaver GmbH, Riehen/Switzerland and OOO GK SOFTWARE RUS/Russia. StoreWeaver GmbH, Riehen/Switzerland, was set up in 2008. SQ IT-Services GmbH, Schöneck, which was set up to coincide with the acquisition of the operating business of Solquest GmbH, and 1. Waldstraße GmbH, Schöneck, which was founded in preparation for the launch of new business activities, were first included in the consolidated companies for the first time in 2009. OOO GK SOFTWARE RUS, which is used as a tool to handle the business activities carried out in the Russian Federation, was founded in 2011. All the businesses in the consolidated companies are exclusively owned by GK SOFTWARE AG.

1.4. Principles of Consolidation

The annual accounts for the subsidiaries are prepared according to the same unified balance sheet and assessment methods as are the annual accounts for the parent company. Any possible differences that emerge in the balance sheet and assessment methods are unified by relevant adjustments to the balance sheet and assessment principles for the parent company.

In the case of mergers according to IFRS, the capital consolidation is based on the method of acquisition. The acquisition costs of the holdings are offset against the balance of the assets and liabilities acquired at their fair value at the time of acquisition.

The identifiable assets and liabilities are completely entered at their fair values (taking into consideration deferred taxes) at the time of acquisition. The balance of the remaining assetsside difference is shown as goodwill. Any remaining liabilities-side difference is entered directly and affects the results. In the periods following the corporate merger, the disclosed hidden assets and hidden liabilities are continued, depreciated or written off in line with the treatment of the corresponding assets.

Initial consolidation takes place with effect from the day on which GK SOFTWARE AG has a controlling holding with regard to the subsidiary, either directly or indirectly. Inclusion ends at the time when the control of the subsidiary passes to a company outside the group.

Internal profits and losses within the group, sales, expenditure and earnings or the accounts receivable and payable, which exist between the consolidated companies, have been eliminated. The effects on taxes on profits have been taken into account in the consolidation procedures that affect the results and deferred taxes have been taken into consideration.

1.5 Currency Conversion

The consolidated interim accounts have been presented in euros, the functional currency and the currency that the group uses in presentations. Each company within the group establishes its own functional currency. The items included in the annual accounts for each company are assessed using this functional currency. Foreign currency transactions are initially converted at the spot rate that is valid on the day of the business transaction between the functional currency and the foreign currency. Monetary assets and liabilities in a foreign currency are converted to the functional currency at the rate that applies on the balance sheet date.

The effect of any gains and losses arising from currency transactions on corporate results has been shown under other operating earnings or expenditure.

2. Balance Sheet and Assessment Principles

2.1. General remarks

Balance sheet and assessment methods generally confirm with methods applied to prepare the annual statement and consolidated accounts of financial 2011. Remarks are made in the following on topics of special importance.

2.2. Revenue Recognition

Sales revenues are evaluated at their fair value of the equivalent received or to be received and are reduced by expected customer returns, discounts and other similar deductions.

2.2.1. Sale of Goods

Sales revenues from the sale of goods are entered, if the following conditions have been met:

The group has transferred the major risks and opportunities from the ownership of the goods to the purchaser.

The group neither retains an ongoing right of disposal, such as is usually connected to ownership, nor does it have any effective power of disposal over the sold goods and products.

The amount of sales revenues can be reliably determined.

It is probable that the economic benefits from the business transaction will flow to the company and

the expenditure incurred or still being incurred in connection with the sale can be reliably determined.

2.2.2. Providing Services

Revenues from service contracts are entered according to the degree to which they have been completed. In more detail, revenue recognition takes place as follows:

Revenues from licenses:
Revenue recognition takes place at the time that the productive till system or a functioning software solution is handed over to a customer.

Revenues from services (customizing) and revenues from adjustments outside the contractually agreed service (change request):
The revenue recognition in principle takes place at the time when the agreed services are handed over to or accepted by the customer. As acceptance procedure times may be too far removed from each other on account of new project structures, the services are assessed according to IAS 18.20 in conjunction with IAS 18.26 in order to guarantee that the revenue recognition meets the IFRS standards. In the case of the services business where the results cannot be reliably assessed – particularly in the case of those where the degree of completion is difficult to determine – we have only entered this item if the repayment of the costs that have been incurred is expected (IAS 18.26). In the case of those projects, where the result can be reliably assessed (IAS 18.20), the revenues are entered according to the degree of completion. Both the level of revenues, the amount of costs that have been incurred in the business and the overall expected costs of the business can be reliably determined. It is also probable that the economic benefits will accrue to the advantage of the company.

The degree of completion is determined according to the valuation of the work that has been performed and – before valuation date or between two valuation dates – according to the actual work that has been performed and the planned work needed to complete the job until the next valuation date. The amount for the revenues acquired for work performed results from the total value of the contract that has been agreed for the work performed until the next valuation date or – if prior to the first valuation date or between two valuation dates – the ratio of the actual work that has been performed to the total work that has been planned for the reporting date, i.e. a share of the total value of the contract for the work performed before the next valuation date.

Revenues from servicing work:
Revenues from servicing work are included in the accounts at the contractually agreed rates for the number of hours that have been worked and any costs that have been directly incurred on a monthly basis. If there is no direct reference to specific work performed and payments are made for servicing work beyond the period of one month, revenue recognition takes place at a monthly pro rata rate.

2.3. Management Estimates and Appraisals

In preparing the interim statements, assumptions have to be made to a certain degree and estimates are made, which have an effect on the level and statements of assets and liabilities or earnings and expenditure on the balance sheet. The assumptions and estimates largely relate to an assessment of the intrinsic value of intangible assets, a unified definition of the economic serviceable life of property, plant and equipment and the accounting procedures and assessment of provisions. The assumptions and estimates are based on premises, which in turn are founded on the level of awareness that is available at the current time. Particularly with regard to the expected future business development, the circumstances that exist at the time when the net income for the period is prepared and a realistic assessment of the future development of the global and sector-based business environment form the basis of the estimates. The amounts that have been entered may deviate from the originally expected estimated values as a result of developments in these general conditions, which differ from the assumptions and lie beyond the sphere of influence of management. If actual developments differ from those that are expected, the premises and, if necessary, the carrying amounts of the assets and liabilities that are affected will be adjusted accordingly. At the time when the interim statements were prepared, the assumptions and estimates on which they were based were not subject to any major risks, so that management assumes that no major adjustment of the carrying amounts of the assets and liabilities indicated on the balance sheet will be necessary in the following fiscal year from the current point of view.

Major sources of uncertainties
The following text indicates the most important assumptions made with regard to the future and the other major sources of uncertainty regarding estimates on the balance sheet date. A major risk could arise as a result of these and mean that a major adjustment to the assets and liabilities recorded here would be necessary.

Intrinsic value of intangible assets developed in-house
Management once again assessed the intrinsic value of the intangible assets developed in-house as a result of the group's development of software. These intangible assets have been taken into account at a value of 2,344K euros on the consolidated balance sheet dated 30 June 2012.

The progress made in projects has continued to be very satisfactory and customer response has confirmed the previous estimates that management made regarding expected revenues. However, management is continuing to check its assumptions regarding future market shares and expected profit margins for its product. These checks have created a situation where the carrying amount of this asset has been recognized at its full rate despite the possibility of lower revenues. The situation is being carefully monitored and, should the market situation demand it, adjustments will be made in subsequent fiscal years, if this is appropriate.

Intrinsic value of goodwill
As a result of the acquisition of the operating business of Solquest GmbH by SQ IT-Services GmbH, the group has entered an intangible asset worth 6.403K euros as goodwill in fiscal 2009. The intrinsic value of the goodwill is checked every year and this last took place as at 31 December 2011. There were no indications that the expected

and achievable influx of funds from the unit generating cash and cash equivalents being assigned to this goodwill figure might fall below the carrying amount of the goodwill. During the reporting period, no events were recorded that would make it necessary to re-assess the intrinsic value of the goodwill prior to the regular check.

Intrinsic value of accounts receivable from ongoing work

Assets entered due to revenue recognition in accordance with IAS 18.20 and IAS 18.26 sum up to accounts receivable from ongoing work worth 551K euros. Thesse are subject to continuing project monitoring as regards their intrinsic value. The course of the projects concerned largely matches the planning work and even the opportunity arising from recognition difficulties has not created a situation where an adjustment of the intrinsic value of accounts receivable from ongoing work needs to be made.

Intrinsic value of customer base

As a result of the acquisition of the operating business of Solquest GmbH by SQ IT-Services GmbH, the group has entered an intangible asset worth 777K euros under customer base for the very first time. The depreciation of the customer base takes place in a performance-related way and has been entered as 277K euros on the balance sheet date. There were no indications of a need to correct the value beyond this figure.

Other sources of uncertainty regarding estimates exist with regard to the useful serviceable life of assets, the assessment of the intrinsic value of trade accounts receivable and the assessment of the need to make provisions.

3. Notes on the Consolidated Balance Sheet

3.1. Property, Plant and Equipment

EUR	Real estate and buildings	Technical equipment and machines	Operating and business equipment	Initial payments made and facilities under construction	Total
Purchasing or production costs					
Figures on 1 January 2011	4,114,736.26	0.00	2,431,428.88	0.00	6,546,165.14
Accruals	10,000.00	0.00	401,024.65	0.00	411,024.65
Disposals	0.00	0.00	13,802.83	0.00	13,802.83
Transfers	0.00	0.00	0.00	0.00	0.00
Figures on 30. Juni 2011	**4,124,736.26**	**0.00**	**2,818,650.70**	**0.00**	**6,943,386.96**
Accumulated depreciation					
Figures on 1 January 2011	684,041.56	0.00	1,738,412.25	0.00	2,422,453.81
Accruals	65,857.04	0.00	233,700.35	0.00	299,557.39
Disposals	0.00	0.00	12,166.29	0.00	12,166.29
Transfers	0.00	0.00	0.00	0.00	0.00
Figures on 30. Juni 2011	**749,898.60**	**0.00**	**1,959,946.31**	**0.00**	**2,709,844.91**
Carrying amounts on 30 June 2012	**3,374,837.66**	**0.00**	**858,704.39**	**0.00**	**4,233,542.05**

3.2. Intangible Assets

EUR	Capitalized development costs	Industrial property rights and similar rights and values	Goodwill	Customer relations	Total
Purchasing or production costs					
Figures on 1 January 2011	5,447,051.07	1,087,234.36	6,402,785.24	777,000.00	13,714,070.67
Accruals	487,360.01	50,500.29	0.00	0.00	537,860.30
Disposals	0.00	0.00	0.00	0.00	0.00
Figures on 30 June 2012	**5,934,411.08**	**1,137,734.65**	**6,402,785.24**	**777,000.00**	**14,251,930.97**
Accumulated depreciation					
Figures on 1 January 2010	3,084,015.86	642,626.11	0.00	447,232.00	4,173,873.97
Accruals	506,458.08	111,283.61	0.00	52,864.00	670,605.69
Disposals	0.00	0.00	0.00	0.00	0.00
Figures on 30 June 2012	**3,590,473.94**	**753,909.72**	**0.00**	**500,096.00**	**4,844,479.66**
Carrying amounts on 30 June 2012	**2,343,937.14**	**383,824.93**	**6,402,785.24**	**276,904.00**	**9,407,451.31**

The capitalized development costs are depreciated according to plan in a linear fashion over an estimated serviceable life of five years. The depreciation starts in the year of capitalization with the pro rata amount.

The goodwill involves the acquisition of the operating business of Solquest GmbH. The attainable amount was determined using the value in use. A detailed sales and costs plan for the unit generating cash and cash equivalents is drawn up annually to assess the intrinsic value of the carrying amount of the goodwill and the resulting flow of cash and cash equivalents was determined from this. If indications exist, that the discounted cash-flow does not cover the carrying amount, the sales and cost plan will be checked. On reporting date as well as in the period needed to prepare this statement, such indications did not exist.

3.3. Trade Accounts Receivable

The trade accounts receivable have a term of less than one year. The carrying amounts of the trade accounts receivable match their fair values. The total valuation adjustments amount to 236K euros (fiscal 2011: 267K euros), of which 53K euros relate to other accounts receivable and assets. The amortization of the value adjustments amounting to 30K euros has been entered under other operating expenditure/revenues.

Included are accounts receivable in a foreign currency (Czech Crowns) amounting to 2K euros (3K euros in financial 2011).

3.4. Accounts Receivable from Ongoing Work

Customer orders for which sales revenues have been recognized according to IAS 18.20 or according to IAS 18.26 in connection with IAS 18.20, have to be shown as an asset if the sum of costs plus entered profits minus entered losses and partial billings is positive.

This asset amounts to 551K euros on the reporting date

3.5. Other Accounts Receivable and Assets

EUR	30.6.2012	31.12.2011
Loans paid to third parties	2,904,721.61	2,769,931.78
Accounts receivable from members of the Management Board	57,025.34	39,475.32
Others	441,426.54	469,646.22
Total	**3,403,173.49**	**3,279,053.32**

The accounts receivable with Members of the Management Board concern advance payments to cover costs incurred by them.

Other accounts receivable include receivables amounting to 18K euros denominated in Czech Crowns (financial 2011: 108K euros).

3.6. Cash and Cash Equivalents

Cash and cash equivalents are entered at their nominal value. The item contains cash holdings and current bank deposits with terms of less than three months. Bank credits amounting to 43.9K euros was pledged as part of rent collateral with the bank providing the guarantee.

3.7. Equity Capital

We refer you to the equity change accounting for more information on changes to the equity at GK SOFTWARE AG on 30 June 2012.

The company's share capital amounted to 1,790,000.00 euros at the start of 2012 and was divided into 1,790,000 individual share certificates. No changes to the share capital took place, so that the share capital was still 1,790,000.00 euros on 30 June 2012 and was divided into 1,790,000 individual share certificates with a nominal value of 1.00 euro in the equity capital.

No shares were owned by GK SOFTWARE AG on the balance sheet date.

The following decisions were taken at the company's annual shareholders' meeting on 15 May 2008 and they could change the structure of the company's equity:

Establishment of authorized capital. The management board was empowered, with the agreement of the supervisory board, to increase the company's share capital from the period 15 May 2008 until 14 May 2013 on a single occasion or on several occasions, in order to reach a figure of EUR 625,000 by issuing up to 625,000 new ordinary shares without any nominal value (individual share certificates) in return for cash deposits or contributions in kind (authorized capital). By partially making use of this authorization, an increase in share capital of EUR 125,000.00 was exercised in December 2010 by issuing 125,000 new individual share certificates without any nominal value in the name of the holder. This increase was entered in the German Commercial Register on 23 December 2010. The authorized capital now amounts to EUR 500,000.00. The main shareholders' meeting held on 28 June 2012 initially decided to cancel this authorization to increase the share capital in so far as this authorization had not yet been fully used. At the same time, the 2012 annual shareholders' meeting also voted in favor of authorizing the Management Board, with the agreement of the Supervisory Board, to increase the share capital by up to EUR 895,000 on one or more occasion through the issue of new individual share certificates, made out to the bearer and without any nominal value, in return for a cash deposit and/or a non-cash contribution. This authorization is valid until 27 June 2017. The number of shares has to be increased to the same degree as the share capital.

Conditional capital. The management board with the agreement of the supervisory board was empowered until 14 May 2013 to grant purchasing options on up to 37,000 individual share certificates on a single occasion or on several to members of the management board and managers of companies where GK SOFTWARE AG has a direct or indirect majority holding ("associated companies") and managers of the company and their associated companies as part of a share option program that still has to be developed. The Management Board made use of this authorization for the first time during fiscal 2010 and issued 12,300 share options in total to employees within the Group.

The 2012 main shareholder's meeting held on 28 June 2012 provided authorization for the Management Board, with the agreement of the Supervisory Board, to issue as many as 50,000 share options with subscription rights to GK SOFTWARE AG shares with a term of up to 5 years as part of the 2012 share option program ("AOP 2012") – provided that each share option grants the right to acquire a GK SOFTWARE AG share. The share options may only be issued for acquisition to members of the Management Board, the managers of companies, in which GK SOFTWARE AG has a direct or indirect holding ("associated companies"), or managers and key personnel at the corporation and its associated companies.

The revenue reserves item not only contains the adjustment to the legal provisions, but also differences in amounts due to the initial switch to IFRS.

Dividend payments amounting to 895,000.00 euros were made during the reporting period – i.e. 0.50 euros per share.

3.8. Provisions for Pensions

Actuarial profits and losses are amortized immediately.

In the income statement, the current service costs are entered under expenditure for pension schemes, the interest expenditure in the financial results and the revenues from re-insurance policies under other operating revenues. The assumptions from fiscal 2011 have been adopted in the same way on the balance sheet date as of 30 June 2012.

The pension commitment is invested as a life-time fixed old-age pension, which is paid when a member of staff retires from the company on reaching the age of 65. A contingent right to a widow's pension amounting to 60 percent of the old-age pension exists if the member of staff suffers invalidity or dies.

The calculations are based on the following assumptions:

Pensionable age (m/f)	65/65
Actuarial interest rate / discount on 1 January 2012	5.00% p.a.
Salary development / rate of benefit increase	0.00% p.a.
Rate of pension increase	1.50% p.a.
Expected yield from the plan assets	4.30% p.a.
Probability of fluctuation	none

The assets in question here are 100 percent insurance policies. The returns from the insurance companies are therefore used.

The calculations are based on the "2005 G Guideline Tables" published by Klaus Heubeck. The expected yields from the plan assets are exclusively achieved by insurance policies. The expected yields of the insurance company are used for the calculation work. The plan assets exclusively consist of re-insurance policies.

A reconciled financial statement of the opening and final balances of the cash value of the defined benefit obligations with the reasons for changes provides the following picture:

EUR	H1 2012	2011
Account balance on 1 January:	476,574	437,024
+ Interest expenditure	11,913	21,849
+ Working Period Costs	11,033	21,204
+ Working period costs to be additionally calculated	0	0
Actuarial Profits	0	3,503
+ Actuarial Losses	1,121	0
Account balance on 30 June:	**500,641**	**476,574**

The development of the plan assets is shown as follows:

EUR	H1 2012	2011
Plan assets on 1 January:	283,560	208,639
+ Expected Yields from Plan Assets	6,946	10,674
+ Contributions	48,010	79,176
– Actuarial Losses	0	14,929
+ Actuarial Profits	0	0
Balance on 30 June:	**338,516**	**283,560**

It is therefore clear that a sum amounting to 162,125 euros (2011: 193,014 euros) in the plan is not financed by a fund.

The items that have been entered, which affect the commitment to pension payments during the year under review, are divided as follows:

EUR	H1 2012	2011
Current Service Costs	11,033	21,204
Interest Costs	11,913	21,849
Expected Yields from Plan Assets	6,946	10,674
Actuarial Profits and Losses	1,121	14,929

All the items have been entered under "Expenditure for Old-Age Pensions."

The cash value of the defined benefit obligation and the fair value of the plan assets have developed as follows:

EUR	Cash value of the defined benefit obligation	Fair value of the plan assets	Shortfall (–) Surplus (+)
H1 2012	500,641	338,516	(162,125)
2011	476,574	283,560	(193,014)
2010	437,024	101,054	(335,970)
2009	131,606	86,544	(45,062)
2008	126,520	77,801	(48,719)
2007	122,331	69,340	(52,991)

The adjustments based on experience can be represented as follows during the last five years:

EUR	Liabilities of the plan	Assets of the plan
H1 2012	0	0
2011	3,503	14,929
2010	(42,275)	(2,061)
2009	2,666	3,330
2008	9,433	3,065
2007	2,369	3,112

We assume that contributions amounting to 79,176 euros will be paid into the plan during 2012. The actual revenues from the planned assets during the period under review amounted to 6,946 euros following a figure of (4,255) euros in the previous year.

3.9. Non-Current Bank Liabilities

Two investments loans (original amounts: 750K euros and 450K euros) were taken out with the Commerzbank AG Plauen in financial 2007. The company also took over a loan (original amount: 225K euros) from Gläß & Kronmüller OHG, Schöneck in the course of the merger onto GK SOFTWARE AG. This loan was rescheduled during financial 2010 and amounted to 131K euros on 30 June 2012. The two other loans were valued at 713K euros on the balance sheet date. Two other loans were taken out during financial 2010 as a result of the new extension building and the acquisition of the busines operations of Solquest (DZ Bank 748K euros and KfW Bank 5,000K euros). The loan with the DZ Bank was valued at 608K euros on 30 June 2012 with their non-current share (due date after 30 June 2013). The loan with the KfW bank was valued at 3,281K euros on the reporting date. This loan is due to be redeemed on 30 September 2012 and was entered in full under current bank liabilities on 30 June 2012.

3.10. Public Sector Subsidies Charges to Subsequent Accounting Years

This item concerns investment subsidies subject to tax from the Free State of Saxony (provided by the Sächsische AufbauBank) as part of its regional business stimulus program and investment grants that are not subject to tax.

The amortization of the subsidies and grants takes place in a linear fashion over the serviceable life of the assets that have been supported by public funds.

3.11. Deferred Taxes

Please refer to section 4.9.

3.12. Current Provisions

EUR	Human resources department	Production department	Other departments	Total
Figures on 1 January 2012	179,507.50	565,830.00	170,400.43	915,737.93
Amounts used	178,937.11	14,630.00	60,260.31	253,827.42
Amortization	570.39	0.00	0.00	570.39
New funds	97,362.50	774,600.00	40,500.00	912,462.50
Figures on 30 June 2012	**97,362.50**	**1,325,800.00**	**150,640.12**	**1,573,802.62**

The current provisions in the human resources department primarily concern severance packages, mainly guarantees in the production department and primarily onerous contracts in the other departments.

The calculations for warranty provisions are based on warranty costs in the past and estimates regarding future costs. The warranty provisions take into account one-off special expenditure on projects where it is not certain, but probable that the expenditure will be incurred.

3.13. Trade Accounts Payable

Accounts receivable are due within one year.

Accounts payable include payables amounting to 0K euros (financial 2011: 15K euros), denominated in Czech crowns, and ammounting to 0K euros (financial 2011: 13K euros), denominated in Swiss franc.

3.14. Initial Payments Received

The initial payments received have a term of less than one year. The company did not have any initial payments received in foreign currencies on the balance sheet date.

3.15. Income Tax Liabilities

This item contains the expected additional payments with regard to corporation tax, the solidarity surcharge and business tax in Germany and the Czech Republic for the year under review.

3.16. Other Current Liabilities

EUR	30.6.2012	31.12.2011
Tax liabilities	1,207,603.28	1,635,457.99
Liabilities from wages and salaries	2,901,410.30	3,042,943.15
Other liabilities from personal expenses (bonuses, holiday)	643.24	8,806.92
Others	199,491.96	346,621.70
Total	**4,309,148.78**	**5,033,829.76**

The tax liabilities cover outstanding income tax payments and sales tax.

Other liabilities include liabilities amounting to 230K euros (267K euros in financial 2011), denominated in Czech crowns, and ammounting to 10.5K euros (financial 2011: 0K euros), denominated in Swiss franc.

3.17. Secured Liabilities

Two investment loans were taken out with the Commerzbank AG Plauen in fiscal 2007. The loans are secured by the registered land charges on the company's real estate, recorded in the land register for Schöneck, Plauen Local Court, Page 1895. The company also assigned its accounts receivable from goods deliveries and services against third party debtors by means of a blanket assignment in order to provide collateral, with the exception of the accounts receivable in connection with the "Lunar" project. Three other loans were taken out (DZ Bank, KfW Bank) during fiscal 2010 as a result of the extension of the new building, the above mentioned rescheduling and the acquisition of Solquest. Land register debts were entered in the land register for Schöneck, Plauen Local Court, Pages 999, 1378 and 1895 as collateral for the DZ Bank loan. The future accounts receivable from the "Lunar" project were assigned in an undisclosed manner in order to provide collateral with the KfW Bank.

4. Notes on the Consolidated Income Statement

4.1. Sales Revenues

The sales revenues are exclusively the result of the sale of hardware and software and the provision of services for European customers.

During the six months of business, no sales were entered as sales, which are determined according to IAS 18.29 in conjunction with IAS 11 (customized software). Sales revenues amounting to 551K euros were achieved during the reporting period for sales determined according to IAS 18.27.

All included contracts have active balances and are hence include assets in "Accounts payable from ongoing work" (please, cf. to Sec. 3.4.)

We refer to Sec. 6 "Segment Reporting" for the composition of the important categories of revenue. Guarantee provisions amounting to 1,326K euros exist for these revenues.

4.2. Own Work Capitalized

Own work capitalized comprises the capitalized production costs for development work on the software that is produced in-house. Direct and indirect cost ratios are included in the production costs.

4.3. Other Operating Revenues

EUR	30.6.2012	30.6.2011
Write-ups of receivables written down	0.00	178.39
Revenues from reducing the flat-rate value adjustment	30,300.00	53,200.00
Earnings from investment grants	3,353.94	3,353.94
Earnings from reversals of deferred public grants	29,728.75	25,387.31
Reversals of provisions	161,677.00	2,986.38
Expense allowances	–	–
Vehicle use	177,871.32	162,222.25
Employee contributions towards food allowances	28,223.49	24,319.05
Earnings from other periods	–	0.00
Others	137,877.51	272,875.48
Total	**569,032.01**	**544,522.80**

4.4. Materials Expenditure

EUR	30.6.2012	30.6.2011
Expenditure on raw materials, consumables and supplies and goods purchased	95,917.84	101,758.24
Expenditure on purchased services	309,796.94	620,988.58
Total	**405,714.78**	**722,746.82**

4.5. Human Resources Expenditure

EUR	30.6.2012	30.6.2011
Wages and salaries	7,820,834.70	7,435,891.41
Social security contributions	1,479,854.14	1,414,924.20
Expenditure on retirement benefits	23,866.13	65,717.37
Total	**9,324,554.97**	**8,916,532.98**

On average, 423 people were employed during the first half of financial 2012. On 30 June 2011 the average amount of people employed was 378. 424 people were employed as of 30 June 2012.

4.6. Depreciation and Amortization

This item exclusively covers scheduled depreciation on property, plant and equipment and the amortization of intangible assets.

4.7. Other Operating Expenditure

This item largely covers legal and advisory costs, advertising and travel expenses, office and operating costs or administrative and sales expenditure.

4.8. Financial Results

EUR	30.6.2012	30.6.2011
Interest income	111,327.83	110,199.59
Interest expenditure	(121,202.50)	(142,651.88)
Total	**(9,874.67)**	**(32,452.29)**

4.9. Income Taxes

EUR	30.6.2012	30.6.2011
Current tax liabilities	757,286.75	762,517.19
Deferred tax liabilities	52,665.74	56,509.27
Total	**809,952.49**	**819,026.46**

The deferred taxes were based on a tax rate of 29.1 percent for Germany and 24.0 percent for the Czech Republic.

The deferred taxes are included in the following items:

EUR	30.6.2012 Assets	30.6.2012 Liabilities	31.12.2011 Assets	31.12.2011 Liabilities
Intangible assets	0.00	1,456.50	0.00	1,456.50
Provisions for pensions	29,304.49	0.00	49,044.14	0.00
Warranty reserves	5,048.23	0.00	5,048.23	0.00
Intangible assets / in-house developed software	0.00	1,095,463.89	0.00	1,028,202.16
Acquired intangible assets through purchasing Solquest (goodwill and customer relations)	423,801.00	0.00	404,846.00	0.00
Inventories / Accounts receivable from ongoing work	16,866.27	0.00	1,485.63	0.00
Total according to balance sheet	**475,019.99**	**1,096,920.39**	**460,424.00**	**1,029,658.66**

Deferred tax claims / liabilities result from:

EUR	30.6.2012 Initial balance	30.6.2012 Recognized as earnings	30.6.2012 Final balance	31.12.2011 Initial balance	31.12.2011 Recognized as earnings	31.12.2011 Final balance
Fixed assets	(1,456.50)	0.00	(1,456.50)	(1,456.50)	0.00	(1,456.50)
Provisions for pensions	49,044.14	(19,739.65)	29,304.49	77,292.60	(28,248.46)	49,044.14
Warranty reserves	5,048.23	0.00	5,048.23	(3,033.28)	8,081.51	5,048.23
Intangible assets / in-house developed software	(1,028,202.16)	(67,261.73)	(1,095,463.89)	(734,070.60)	(294,131.56)	(1,028,202.16)
Intangible assets acquired through the Solquest purchase (goodwill and customer relations)	404,846.00	18,955.00	423,801.00	390,523.71	14,322.29	404,846.00
Inventories / Accounts receivable from ongoing work	1,485.63	15,380.64	16,866.27	(110,117.04)	111,602.67	1,485.63
Total	**(569,234.66)**	**(52,665.74)**	**(621,900.40)**	**(380,861.11)**	**(188,373.55)**	**(569,234.66)**

Tax expenditure for the reporting period can be transferred to the profits for the period in the following way:

Transfer of tax expenditure/EUR	30.6.2012	30.6.2011
Pre-tax earnings	2,985,567.78	2,446,473.08
Anticipated tax expenditure 29.1%	868,800.22	711,923.67
Tax impact on non-deductible company spending	0.00	0.00
Tax impact on tax-free income	0.00	0.00
Other tax effects	(58,847.73)	107,102.79
Actual tax expenditure	**809,952.49**	**819,026.46**
Effective tax rate	**27.1%**	**33.5%**

4.10. Earnings per Share

The earnings per share are determined as a quotient from the consolidated results for the period and the weighted average number of shares in circulation during the reporting period. The average number of shares in circulation during the first six months of 2012 was 1,790,000 (1,790,000 during the first half of 2011). The consolidated net income for the period was 2,176K euros. As a result, this provides earning per share of EUR 1.22 (EUR 0.91 in the first half of 2011). The results in the first half of 2012 have been diluted to EUR 1.22 by the share option program and therefore correspond to the undiluted earnings per share. 21,750 share options had been granted on 30 June 2012 as part of the employee stock option program.

4.11. Use of Profits

The main shareholders' meeting in 2012 approved the supervisorry and management boards' suggestion to pay a dividend EUR 0.50 should be paid out from the balance sheet profits at GK SOFTWARE AG, which have been determined according to the principles in German trading law. This dividend is made up of a sum amounting to EUR 0.50 per share to mark the extraordinarily good consolidated results in fiscal 2011. As there are 1,790,000 shares in circulation, the company made dividend payments of 895,000.00 euros to its shareholders.

5. Notes on the Cash Flow Statement

The cash and cash equivalents involve cash in hand and bank balances.

6. Segment Reporting

The GK group offers the market two software-suites, serving different market demands.On the one hand, GK/Retail is on offer, on the other hand the SQRS suite, purchased from Solquest GmbH is provided. The economic development of either solution is recorded and reported separately. The key performance indicators are the segment sales with third parties and the total operating performance of a segment and its earning power, which is determined on the basis of the results for financial yields and income taxes (EBIT).

The group sells its GK/Retail and Solquest Retail Solutions (SQRS) products within a licensing framework and provides introductory and adjustment services and services related to servicing these products. The company also sells hardware for store IT solutions to a limited degree, but this is manufactured by third parties. The subdivision of sales according to fields of work is part of the reporting process.

A subdivision of sales in terms of products and fields of work provides the following general view.

	GK/Retail			SQRS			Eliminations			Group		
TEUR	H1 2012	H1 2011	GJ 2011	H1 2012	H1 2011	GJ 2011	H1 2012	H1 2011	GJ 2011	H1 2012	H1 2011	GJ 2011
Sales with third parties	**15,311**	**13,278**	**29,426**	**924**	**1,167**	**2,327**	**–**	**–**	**–**	**16,235**	**14,445**	**31,753**
Licenses	3,078	1,287	8,295	–	–	–	–	–	–	3,078	1,287	8,295
Servicing work	3,292	2,786	7,201	740	767	1,545	–	–	–	4,032	3,553	8,746
Services	8,812	8,700	13,707	182	389	761	–	–	–	8,994	9,089	14,468
Other matters	138	516	251	2	11	21	–	–	–	140	527	272
Revenue reductions	(9)	(11)	(28)	–	–	–	–	–	–	(9)	(11)	(28)
Sales with the other segment	**672**	**1,054**	**1,950**	**–**	**–**	**0**	**(672)**	**(1,054)**	**(1,950)**	**–**	**–**	**–**
EBIT segment	**2,935**	**2,579**	**6,686**	**60**	**(101)**	**(33)**	**–**	**–**	**0**	**2,995**	**2,478**	**6,653**
Assets	**43,063**	**41,161**	**43,347**	**2,457**	**2,756**	**2,139**	**(791)**	**(2,372)**	**(2,011)**	**44,729**	**41,545**	**43,475**
Cash and cash equivalents	**14,752**	**15,573**	**12,760**	**1,603**	**1,482**	**1,099**	**–**	**–**	**–**	**16,355**	**17,055**	**13,859**

The decision not to marketing the SQRS solutions in order to keep the group's product portfolio tight has been kept up.

Work based on servicing contracts, which are determined by the normal segment revenues in their outside markets, were charged between the segments. Administrative work is accounted for on the basis of general service contracts. The amount accounted for corresponds to the original costs of providing the administrative work based on our experience of estimating the time involved.

Sales revenues from customers, which have their corporate headquarters outside Germany, totaled 2,205K euros. The share of sales revenues from the SQRS business sector amounted to 144K euros. In addition, there were sales revenues from customers, which have their corporate headquarters inside Germany, but requested the company to account for services directly with the relevant national companies in the countries receiving those services. These sales revenues totaled 147K euros, but are evaluated as domestic sales on account of the basis of the contractual agreement and are fully assigned to the GK/Retail business segment.

Sales revenues with customers, which have a share in revenues of more than 10 percent, were achieved in first half of fiscal 2012 at a figure of 4,102K euros or 25,3 percent of total sales. These sales concerned the GK/Retail segment.

7. Other Information

7.1. Contingent Liabilities

Contingent liabilities on the one hand present possible obligations, but their existence is only confirmed if one or several uncertain future events actually take place and there is no possibility of exercising complete control over these factors. On the other hand, the term also covers existing obligations, which will probably create no outflow of assets. According to IAS 37, contingent liabilities are not entered on the balance sheet.

There are three contingent liabilities amounting to 54.5K euros. Both come from pledges of cash equivalents to secure bank guarantees granted Volksbank Vogtland e.G. The guarantees for 43.9K euros are part of the normal collateral for leasing payments at the office in Berlin and Cologne. The guarantees are secured by the pledging of cash deposits. The Management Board does not expect it to be necessary to make use of the guarantee.

7.2. Operating Leasing Agreements

The operating leasing agreements relate to vehicle leasing arrangements. The payments entered as expenditure for the reporting period the amount of 279K euros.

7.3. Off-balance-sheet Arrangements

The Group has taken out various rental and leasing contracts for vehicles and other operating and business equipment for the purposes of not adversely affecting the liquidity situation. Payment obligations from leasing contracts amount to 850K euros (of which 473K euro are due within a year; payments of another 377K euros are due within five years.

There are no finance/leasing agreements.

7.4. Subsidiaries

Name of the subsidiary	Headquarters	Capital share %	Voting rights share %	Main business
EUROSOFTWARE s.r.o.	Plzen/Czech Republic	100.0	100.0	Software development, software programming
StoreWeaver GmbH	Riehen/Switzerland	100.0	100.0	Software development, software programming
SQ IT-Services GmbH	Schöneck	100.0	100.0	Software development, software programming
OOO Software RUS	Moscow/Russia	100.0	100.0	Software development, software programming
1. Waldstraße GmbH	Schöneck	100.0	100.0	Software development, software programming

All the companies have been fully consolidated in these annual accounts.

7.5. Details of Associated Persons and Corporations

All the transactions with associated persons and corporations are being handled using normal market conditions. Expenditure for write-downs or irrecoverable claims from associated persons and corporations were not necessary or did not exist.

Business deals between GK SOFTWARE AG and its consolidated subsidiaries have been eliminated as part of the consolidation process.

Parent Company

The direct parent company is GK Software Holding GmbH, Schöneck. No other business relations existed during the reporting period.

Management Board
The following people are members of the Management Board:

- Herr Rainer Gläß, Schöneck, CEO, Dipl.-Ingenieur
- Herr André Hergert, Hamburg, CFO, Dipl.-Kaufmann
- Mr. Michael Jaszczyk, Bornheim, CTO, data processing expert
- Mr. Oliver Kantner, Buchholz, COO, business management expert

The total earnings of the members of the Management Board on 30 June 2012 amounted to 727K euros.

The members of the Management Board directly held the following shareholdings in GK SOFTWARE AG as of 30 June 2012:

Mr. Rainer Gläß	52,792 shares	2.95%
Mr. André Hergert	500 shares	0.03%

Supervisory Board
The following people are members of the Supervisory Board::

- Mr. Uwe Ludwig, Neumorschen, management consultant, Chairman of the Supervisory Board
- Mr. Thomas Bleier, Oelsnitz, businessman
- Mr. Herbert Zinn, Ebersburg, businessman

The members of the Supervisory Board directly held the following shareholdings in GK SOFTWARE AG as of 30 June 2012:

Mr. Herbert Zinn	1,000 shares	0.06%

The total earnings of the Supervisory Board at GK SOFTWARE AG in the reporting period amounted to 0 euro (40K euros in financial 2011).

No agreements exist between members of the Supervisory Board and the company, which envisage severance payments or other benefits for the members of the Supervisory Board when they finish their membership of this body. There are no conflicts of interest between their obligations towards the company and their private interests or other obligations at the moment.

There are no agreements with the company regarding pensions for the members of the Supervisory Board

Loans to associated corporations and persons:

K EUR	30.6.2012	31.12.2011
Loans to associated companies, which are not part of the consolidated group	1,966	1,837
Other Accounts Receivable Mangement Board	57	39
Total	**2,023**	**1,876**

The loan was granted for an unlimited period and interest of 5 percent p.a. is being charged. Salary claims from Mr. Rainer Gläß and Mr. Stephan Kronmüller to GK SOFTWARE AG serve as collateral for the loans.

7.6. Auditor's Fee

Expenditure amounting to 28K euros is included for consolidated accounts for the reporting period. Other services lead to expenditures amounting to 12K euros. The fee for tax consultancy services amounted to 61.7K euros.

7.7. Statement of Compliance

The declaration on the Corporate Governance Code according to Section 161 of the German Stock Companies Act has been submitted and has been published on the company's home page at http://investor.gk-software.com/de-corporate-governance/entsprechenserklarung.

7.8. Authorization of the Annual Accounts

The annual accounts were authorized by the company managers on 29 August 2012 and were released for publication.

Schöneck, 29 August 2012

The Management Board

Assurance by the legal representatives

We guarantee to the best of our knowledge that the consolidated accounts reflect a realistic picture of the actual circumstances of the assets, financial and earnings situation at GK SOFTWARE AG in line with the relevant accounting principles and that the group management report reveals the course of business including the business results and the situation within the consolidated group in such a way that they communicate a picture that reflects the true circumstances and describe the main opportunities and risks for expected developments at the company.

Schöneck, 29 August 2012

The Management Board

Rainer Gläß
(CEO)

André Hergert
(CFO)

Michael Jaszczyk
(CTO)

Oliver Kantner
(COO)

Imprint/Notes

Imprint

Publisher:

GK SOFTWARE AG
Waldstraße 7
08261 Schöneck
Phone: +49 37464 84 – 0
Fax: +49 37464 84 – 15
www.gk-software.com
investorrelations@gk-software.com

Chairman of the Supervisory Board:

Dipl.-Volkswirt Uwe Ludwig

Management board:

Dipl.-Ing. Rainer Gläß, CEO
Michael Jaszczyk, CTO
Dipl.-Kfm. Oliver Kantner, COO
Dipl.-Kfm. André Hergert, CFO

Amtsgericht Chemnitz HRB 19157
USt.-ID. DE 141 093 347

Contact

Contact Investor Relations

GK SOFTWARE AG
Dr. René Schiller
Friedrichstr. 204
10117 Berlin
Phone: +49 37464 84 – 264
Fax: +49 37464 84 – 15
rschiller@gk-software.com

Notes

Note to the Report

This Annual Report is the English translation of the original German version. In case of deviations between these two the German version prevails. This Annual Reports is in both languages can be downloaded at **http://investor.gk-software.com**.

Note regarding the rounding of figures

Due to the commercial rounding of figures and percentages small deviations may occur.

Disclaimer

This annual report includes statements concerning the future, which are subject to risks and uncertainties. They are estimations of the Board of Management of GK SOFTWARE AG and reflect their current views with regard to future events. Such expressions concerning forecasts can be recognised with terms such as “expect”, “estimate”, “intend”, “can”, “will” and similar terms relating to the Company. Factors, which can have an effect or influence are, for example (without all being included): the development of the retail and IT market, competitive influences including price changes, regulatory measures and risks with the integration of newly acquired companies and participations. Should these or other risks and uncertainty factors take effect or should the assumptions underlying the forecasts prove to be incorrect, the results of GK SOFTWARE AG could vary from those, which are expressed or implied in these forecasts. The Company assumes no obligation to update such expressions or forecasts.

Financial Calendar

Analysts' Conference 2012	12 – 14 November 2012
9M Interim Report for 2012	28 November 2012
2012 Annual Report	26 April 2013
Q1 Interim Report for 2013	29 May 2013
Annual Shareholders' Meeting in 2013	18 June 2013
H1 Interim Report for 2013	28 August 2013
9M Interim Report for 2013	27 November 2013

GK SOFTWARE AG
Waldstraße 7
08261 Schöneck
Tel. +49 3 74 64 84 - 0

www.gk-software.com
investorrelations@gk-software.com