



# Company Information

**Company Name**    Systematic Software Engineering A/S  
Søren Frichs Vej 39  
DK-8000 Århus C

**Company Reg.No.**    78834412  
Registrered in: Århus, Denmark

**Board of Directors**    Alex Holm Jensen, Chairman  
Claus Søgaard-Christensen  
Preben Mejer  
Michael Holm  
Gitte Ottosen, elected by the employees  
Niels Damgaard, elected by the employees

**Management**    Michael Holm  
Lars Johansson

**Company Auditor**    DELOITTE Statsautoriseret Revisionsaktieselskab

The following shareholders hold more than 5%  
of the company's share capital:

Michael Holm Holding ApS, Lindevangsvej 17, DK-8240 Risskov  
Alex Holm Jensen, Ryvangs Alle 14, DK-8240 Risskov  
E. Bank Lauridsen Holding A/S, Øresundsvej 15, DK-6715 Esbjerg N.

Approved and assigned at the Annual General Meeting  
of Shareholders  
Århus, Denmark, 1 February 2007

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# Introduction

Following a couple of years with stagnating turnover, Systematic is once again on track with growth, increasing turnover, a strengthened order book and order pipeline, as well as improved earnings. This has not only generated measurable results for the year just completed, but also created a basis for the company's continued development.

In 2006, we have worked towards strengthening the awareness of strategy as well as creating a shared understanding for the company's future. We wish to develop Systematic in the period up to 2010 as one of the leading international companies within our core business areas. We have made a good start, with Group turnover increasing 20% in relation to the last financial year, while the net profit after tax has increased by 30%.

During the last financial year, we have entered into a number of strategically important contracts and partnership agreements, such as:

- Contract with The Danish Navy to take over operation of the Navy's central command and control systems
- Partnership agreement with Terma A/S to work with national and international defence tasks
- Partnership agreement with the world's leading supplier of Geographic Information Systems ESRI to provide standard IT solutions for the market for command and control systems
- Contract with Aarhus County supporting the roll-out of a complete EPR solution for hospitals in the east of Jutland
- Contract with Realkreditnettet to ensure shared processes and infrastructure with the handling of electronic property title registration
- New, important international agreements for the sale of licenses, following several years' investment in the SitaWare product

At the beginning of the financial year, we reached an important milestone in our efforts with quality and process maturity. Systematic was certified at the highest maturity level – CMMI level 5 – and we have now ben certified as being amongst the world's best companies for developing quality software.

We have invested over 100,000 hours internally to ensure that we have an effective and disciplined software development process, for the benefit of our customers. We are proud to be able to deliver to the highest standards of quality, on time and within price.

Employees are vital for Systematic's success. Employee satisfaction surveys, systematic performance reviews, career planning, overseas postings, as well as certification and education programmes, are examples of areas that receive a high priority.

Together with the more than 360 employees in Denmark, the UK and USA, we look forward to the new financial year and our further steps towards creating a leading international company.

Michael Holm    Lars Johansson



A leading international company within our core business areas..."



## The year's most important events

### October 2005

School of Dentistry in Copenhagen: Agreement to supply Electronic Patient Record (EPR).

### November 2005

CMMI 5: Systematic is awarded the software industry's internationally recognised mark of quality, CMMI level 5 (Capability Maturity Model Integration). See [www.sas.sei.cmu.edu/pars/pars.aspx](http://www.sas.sei.cmu.edu/pars/pars.aspx)

The Danish Navy: Contract signed with Systematic to take over the operation of the Navy's central command and control system from the beginning of 2006.

### December 2005

Children and Youth Care in Copenhagen Council: Agreement for the supply of an EPR solution.

Systematic heads the organisation for Danish IT providers for healthcare.

### January 2006

Terma and Systematic enter a partnership agreement to work together with national and international defence tasks.

### February 2006

The Danish Army: Successful field testing of the Army's new communication planning system Army's Network Management System (HRN NMS), which is developed by Systematic.

### March 2006

Danish Security Intelligence Service (PET): Following exhaustive analysis, Systematic supplies requirements material for a new IT platform that will ensure PET's ability to establish and maintain a real-time perspective as well as an optimal use of the information that PET receives, collects and produces.

Systematic enters a consortium for development of the Electronic Plaster.

The Danish Army: Agreement for the supply of architecture and infrastructure for the Army's future network-based operations, in cooperation with Terma.

### April 2006

Development office in USA: Systematic and Lockheed Martin Integrated Systems and Solutions establish a joint development office in Colorado Springs, CO, USA, where Systematic's SitaWare product will be adapted to handle US air operations.



## The year's most important events

### May 2006

Systematic participates in Combined Endeavor – a comprehensive exercise, where forty nations test their ability for military-technical cooperation between national and international defence IT systems (Systematic has supplied products to several of these countries' installations).

### June 2006

Systematic enters a partnership agreement with the world's leading supplier of Geographic Information Systems (GIS), ESRI. The goal of the partnership is to offer competitive command and control systems to customers, where the advanced use of graphical information systems, interoperability and cooperation across organisations is a requirement.

The Danish Air Force: success with Northern European Command - Command and Control Information System (NEC CCIS) to Coalition Warrior Interoperability Demonstration 2006 (CWID); the only fully operational Air Force system in NATO. NEC CCIS is supplied by Systematic.

### July 2006

The Danish Army: HRN NMS is installed and in operational use with the Danish forces in Afghanistan.

US Air Force: Agreement for the use of Systematic's IRIS product in all Air Operations Centers in the US Air Force.

### August 2006

Slovenian Defence: Multi-year partnership agreement with the Slovenian Defence Forces for the supply of Systematic SitaWare and Battle Management System (BMS) across all of the Slovenian Armed Forces.

Joint Strike Fighter (JSF): Systematic's involvement in the world's biggest development programme continues to expand in the areas of Off Board Mission Support (OMS), On board software (XCOM/Link 16) and Autonomous Logistic Information Systems (ALIS), including Maintainer Vehicle Interface (MVI).

### September 2006

Aarhus County: Delivery of Systematic Columna Clinical Process module.

Finnish Defence: Systematic and IBM begin concept development for a Joint solution for the Finnish Defence Forces.

Danish Navy: Agreement for the development of a solution to enable Denmark to take its place in the SafeSeaNet cooperation under the EU.

Swedish Defence: Agreement for supplying Systematic SitaWare to the Swedish-led EU Nordic Battle Group.



A strong and shared culture reflected in our values

# Key Figures

## The Group (1000 EUR)

- Turnover
- Operating profit
- Net financials
- Profit for the year
- Balance sheet total
- Cash at bank
- Equity
- Innovation (process improvement and product development)

## Ratios

- Profit ratio
- Return of equity
- Equity ratio
- Number of employees at year end
- Ratio of software engineers holding a Master or PhD degree
- Turnover per employee (Average employees, 1000 EUR)

	200506	2004/05	2003/04	2002/03	2001/02
Turnover	35.022	29.079	29.350	31.413	24.965
Operating profit	1.366	666	763	4.687	3.192
Net financials	26	155	-71	-93	129
Profit for the year	971	742	474	3.122	2.247
Balance sheet total	19.968	19.398	17.179	18.803	14.854
Cash at bank	4.990	4.897	5.566	4.760	4.476
Equity	8.011	7.395	6.641	7.502	5.375
Innovation (process improvement and product development)	3.582	4.849	5.271	4.702	2.830
Profit ratio	3,9%	2,3%	2,6%	15,0%	12,8%
Return of equity	12,6%	10,6%	6,7%	48,5%	41,8%
Equity ratio	40,1%	38,1%	38,7%	39,9%	36,2%
Number of employees at year end	364	353	363	344	288
Ratio of software engineers holding a Master or PhD degree	68%	71%	71%	70%	63%
Turnover per employee (Average employees, 1000 EUR)	101	84	83	102	102



# Annual Report

## Systematic – a mature supplier and partner to users of Mission Critical systems

Systematic Software Engineering A/S is Denmark's largest privately-owned software and systems Company.

We develop and implement complex Mission Critical IT solutions for information and communications systems, primarily for the defence and healthcare sectors as well as for major manufacturing and service companies. Systematic's services include the development of customer specific solutions, license sales of our products and professional services.

We have relatively few but large project customers, typically professional IT departments or procurement organisations with a great deal of experience in systems acquisition. End-users are the many thousands who work in the defence and healthcare sectors as well as those in major companies in Demark and overseas.

Systematic's solutions and products enable end-users to perform their tasks in a more efficient and reliable way. The systems are often Mission Critical with high demands for stability, security, robustness and ease of use. Errors in Mission Critical systems may be potentially life-threatening or have significant financial consequences.

Systematic's head office is located at Søren Frichs Vej 39, Aarhus C, Denmark, with a branch office in Copenhagen and subsidiaries in the UK and the USA. The parent company was founded in 1985 by Michael Holm, who is the CEO, Managing Director and majority shareholder. Together with the Group Director Lars Johansson, Michael Holm attends to the daily management of the company. The Chairman of the Board, Alex Holm Jensen, is a co-owner of the company.

## Healthy financials creates the basis for continued development

The accounts for the financial year 2005/06 show an improvement on last year and are characterised as follows:

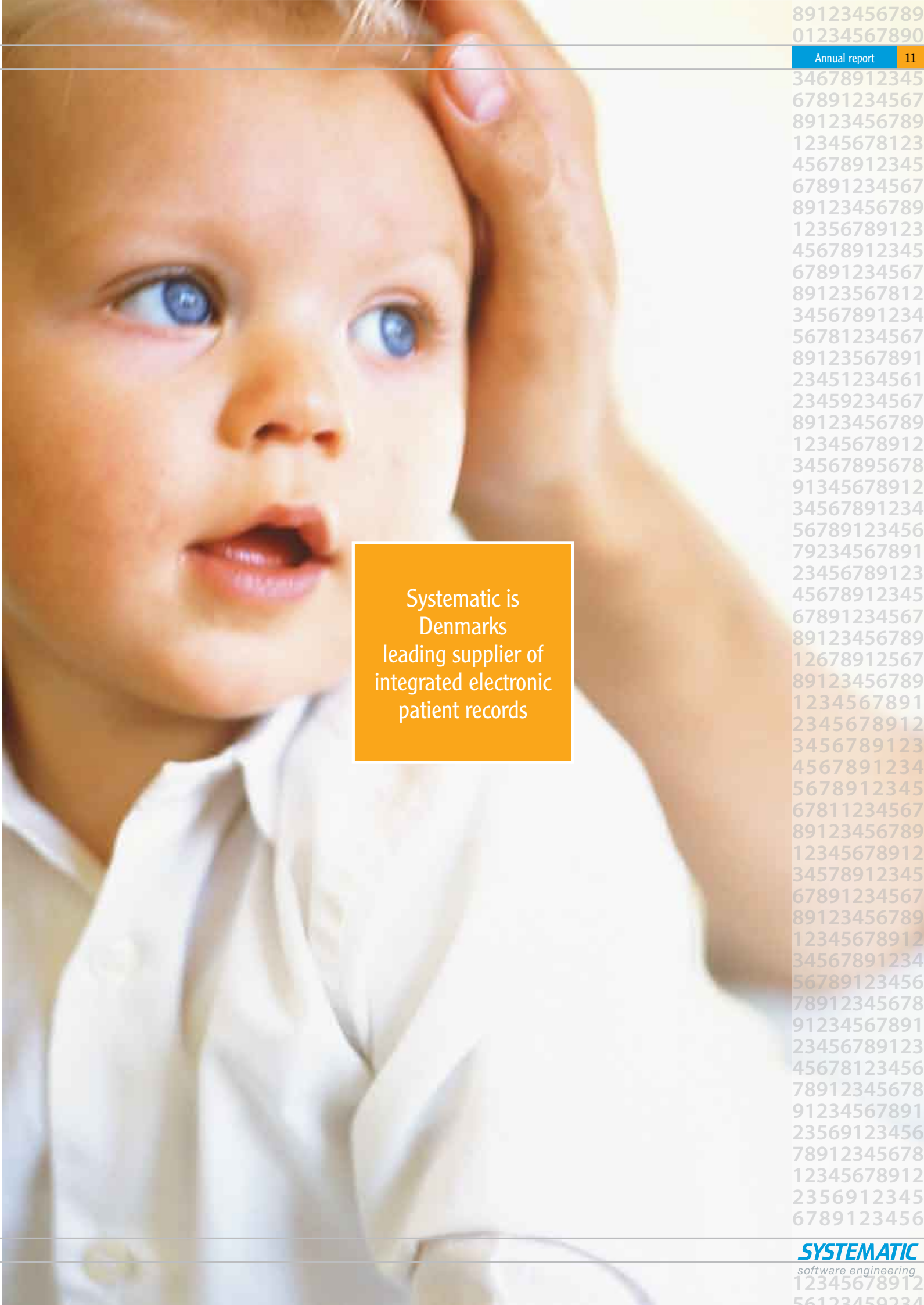
- Group turnover of 35m EUR, an increase of 20% compared to the previous year
- Profit after tax of 1.4m EUR against 0.7m EUR the previous year
- Equity of 8m EUR and equity ratio 40%
- Sound liquidity and no bank debt
- Investments of 3.6m EUR in product development and process improvement, of which 2.5m EUR were charged to the profit and loss account, and 1.1m EUR were capitalised
- Turnover increased during the financial year and particularly so towards the end of the year with, for example, a number of large licence sales .
- 64% of the year's Group turnover was from project sales, 19% from license sales of the Company's own software products and 17% from professional services. Exports represented 40% of turnover.
- Systematic has customers in 34 countries.

Operating profit was 1.4m EUR and equated to a net profit ratio of 3.9%. Profit after tax and minority interests was 1m EUR compared with 0.7m EUR in 2004/05. The profit was at an acceptable level, considering the substantial structural changes that have occurred in the defence and healthcare sectors leading to an inevitable reluctance, on behalf of customers, to initiate IT projects in the Danish home market.

Equity at the end of September 2006 was 8m EUR, corresponding to an equity ratio of 40%. Return on equity was 12.6%.

Systematic has a solid liquidity and no bank debt. By the year-end, liquid assets (cash at bank) amounted to 5m EUR (parent company 4.1m EUR).

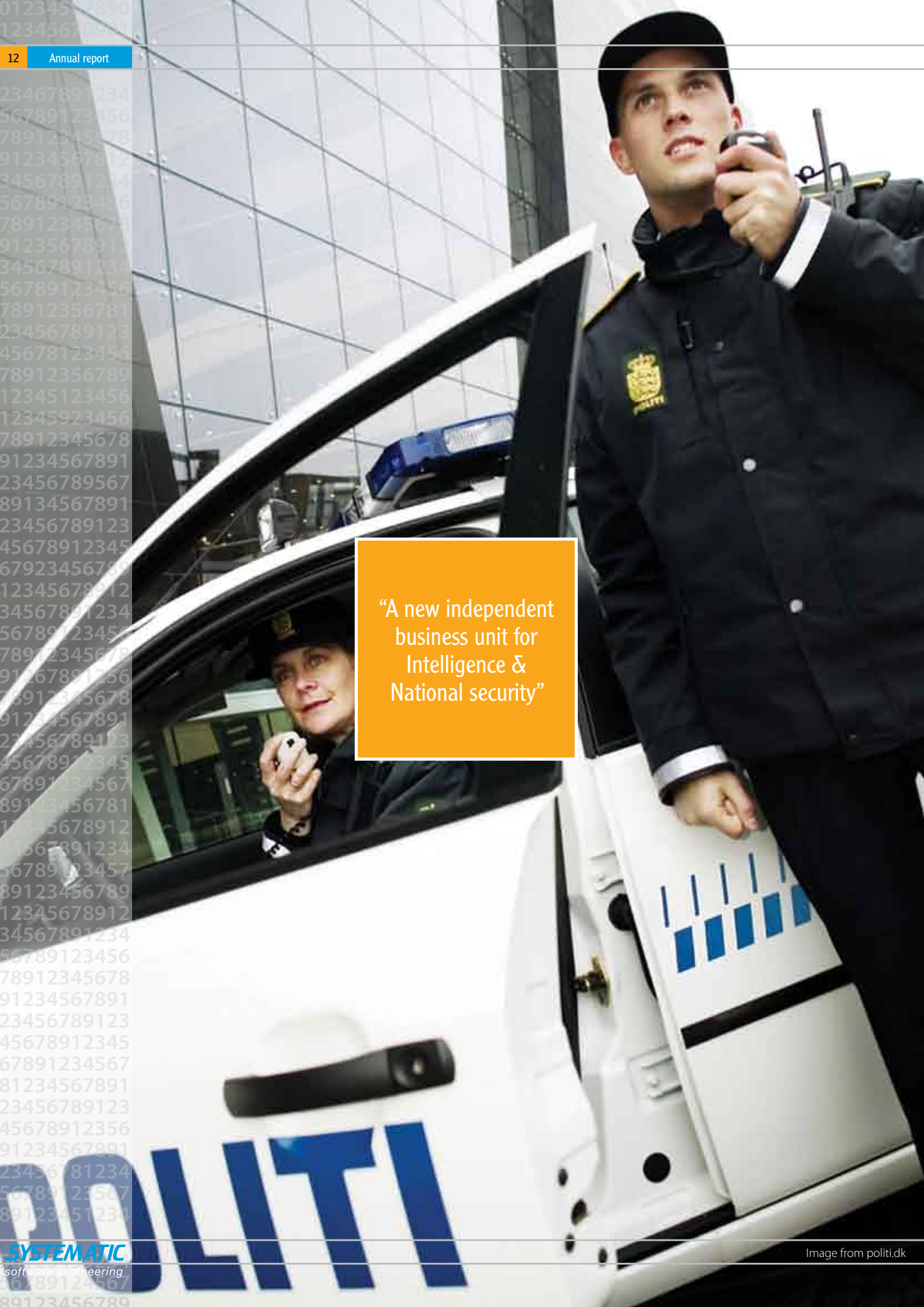
The year's investments in product development and process improvement amounted to 3.6m EUR, equating to 10% of turnover. 1.1m EUR of the investment was capitalised in the balance sheet as intangible assets. The amount capitalised is related to the development of the products Systematic SitaWare (Situational Awareness) and Systematic ISM (IRIS Standards Management).



Systematic is  
Denmarks  
leading supplier of  
integrated electronic  
patient records

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“A new independent business unit for Intelligence & National security”

## Business Areas

### Systematic retains five existing business areas and adds “Intelligence & National Security” as a new business area

The Defence business area entered several strategically important contracts with defence customers during the year, including a five-year agreement with the Danish Navy to take over the future development and maintenance of the Navy's central command and control systems RDN CCIS. In March, we entered into a partnership with Terma on a substantial contract with the Danish Army to develop a shared platform for the Army's network-based operations in the future.

Tasks in relation to the F-35 Joint Strike Fighter (JSF) project have not been as forthcoming as expected, but we nevertheless expect growth in this area in the coming years. Systematic continues to participate as an official industrial partner and co-finances the Danish participation in the “worlds biggest development programme”.

The defence area has, in general, seen a minor decline over the financial year. On the basis of the partnership agreements described above and also expected agreements with global system integrators, we look forward to increasing activity in the coming year, including the sale of our products into a number of projects for international customers.

The Healthcare business area has experienced good progress, with Aarhus County and South Jutland County as the two biggest customers. In Autumn 2006, a contract was signed with Aarhus County for the delivery of their Electronic Patient Record (EPR) system, which will support the roll-out of the complete EPR solution for hospitals in the east of Jutland, and which will give the Mid-Jutland Region the possibility of becoming the ‘Aarhus solution’ for the entire region. In addition to the hospital administration, we have cooperated with the software company Teilgaard Mortensen A/S for the delivery of EPR solutions for dentistry, including The School of Dentistry in Copenhagen and Children and Youth Care in Copenhagen Council.

Systematic's EPR solution for hospitals, Columna, is an integrated journal, meaning a journal that ensures a seamless workflow, inter-disciplinary use and effective reuse of data across departments and hospitals that use our Columna product. The first modules for EPR are operational in both the south and east of Jutland, and there are currently about 8,000 daily clinical users performing functions to administer medication, bookings and requests for laboratory tests. Tasks relating to development, integration training and implementation will continue into 2007. This is a comprehensive system that places demands on all parties to cooperate in the development process. We expect a positive result in this area.

The Products business area, where Systematic develops and sells software its own software products, has continued to grow. The IRIS product suite is still responsible for the biggest part of our license sales.

Our latest product suite, SitaWare, has been well received in the market with a high level of demand, especially from East European countries. A strategic partnership has been established with the world's leading supplier of Geographic Information Systems (GIS), the American company ESRI (www.esri.com), with the aim of becoming an important player in the market for command and control systems by combining the Systematic SitaWare product suite with ESRI's ARC Info product series. Through this partnership, we can deliver complete solutions for the global command and control market, where there is a significant requirement for the advanced use of maps and satellite photos, as well as interoperability and consultation between authorities/organisations and across national borders.

In 2007, we expect to announce more such strategic partnerships with global system integrators and service companies. In addition, we expect to introduce a new product suite aimed at international relief work organisations and humanitarian organisations. On the basis of the new products, increased sales force in our subsidiaries, and through strategic partnerships, we expect an increase in the sales of our products in the coming year.

The Key Accounts business area, which covers all project customers other than Defence and Healthcare, has experienced growth this year. This growth is primarily due to long-standing customer relations, but has also been supplemented by the addition of new customers from the Danish public sector, such as the Palaces and Property Agency, National Police, and Local Government Denmark, which have also contributed to the positive development. A contract has been agreed with Realkreditnettet for the development of a business solution for the financial sector in Denmark. The solution affects shared processes and infrastructure with the handling of electronic property title registration, which will be completed by Spring 2008. The basis for Key Accounts services is solutions based on service-oriented software architecture (SOA) and standard integration platforms. We expect continued increasing activity in the coming year.

The Professional Services business area covers advisory and consultation tasks that contribute to the establishment of digitisation in the public sector. In addition to supplying consultancy services, Professional Services creates synergy with the rest of Systematic through increased interaction with customers and by building new relationships in the greater Copenhagen area. The Professional Services area has primarily experienced growth as a consequence of new tasks from the defence, healthcare, and finance sectors. These tasks cover mainly IT project management, consultancy with IT procurement, IT process consultancy, IT architecture, and IT governance. We expect increasing activity for the coming year.

Intelligence & National Security business area. In 2006 we established a new, independent business area for Intelligence & National Security (INS), which supplies solutions, services and know-how to institutions and organisations that require analysis, maintenance, and coordination of national security.



# Growth in our overseas businesses

Outside of Scandinavia and Germany, sales and marketing of Systematic's products are through our business units in the UK and USA.

**Systematic Software Engineering Ltd., England**  
(SSEL) had a turnover of 6.6m EUR in 2005/06, and a profit after tax of 0.1m EUR. The number of employees was 41 at the financial year-end.

SSEL has managed a breakthrough in the East European market with a multi-year partnership agreement for the delivery of SitaWare and Battle Management System products to the Slovenian Defence Forces.

Other countries have also shown interest in this agreement.

At the financial year-end, SSEL was able to launch its latest product: ISM – IRIS Standards Management – which is a tool for defining, maintaining, administering and distributing a range of structured information standards, such as HL7 for the healthcare sector, or US-MTF & ADatP-3 for the defence sector.

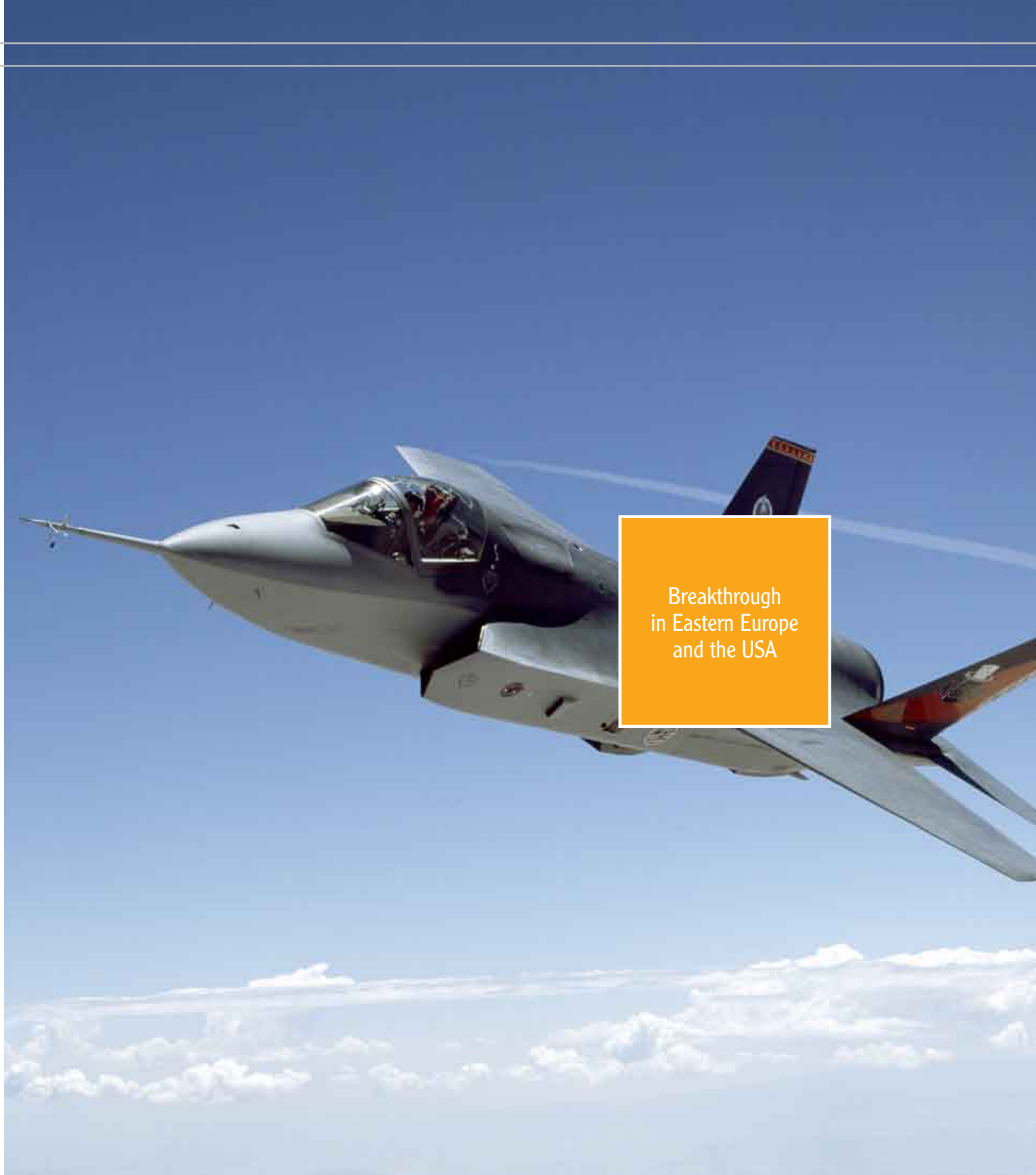
In the course of the last year, the company has increased its sales staff, involved in marketing Systematic's products into new markets in the Far East. A substantial growth is budgeted for 2006/07, in relation to product sales, project-related tasks and customer training.

The expectations are supported by the signing of several important contracts towards the turn of the 2005/06 financial year

**Systematic Software Engineering Inc., USA**  
In its tenth business year 2005/06, Systematic Software Engineering Inc., USA (SSEI) presented an increase in turnover of 50% to 2.4m EUR and a profit after tax of 0.3m EUR. The number of employees was ten at the financial year-end.

Among the year's most important events was the sale of a general IRIS license to US Air Force AOC (Air Operations Center). In 2005/06 the company also provided valuable support in connection with the parent company's project tasks for American customers, especially because of the company's "Special Security Agreement" with the Department of State, which means that SSEI can work with highly classified American projects.

Continued growth is budgeted for 2006/07.



Breakthrough  
in Eastern Europe  
and the USA

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## Certified world-class software development processes



As a developer and supplier of complex, Mission Critical IT solutions, Systematic must live up to stringent demands for quality and precision.

Our work processes are therefore certified to the world's highest level of maturity, CMMI level 5, which lists several hundred criteria that must be met to ensure effective and disciplined software development.

The CMMI model (Capability Maturity Model Integration) classifies companies into maturity levels from 1 to 5, where level 5 is the highest maturity level. Companies that are CMMI certified must master all processes on the previous levels before they can move up to the next maturity level.

## Employee development

Employee development provides an increase in skill levels, dynamism and value for our customer solutions

- Systematic's workforce, which numbered 364 at the financial year-end, is highly educated. 68% of software developers have a university degree at Masters or PhD level, primarily as Computer Scientists or Civil Engineer.
- We wish to continue employing staff with high levels of theoretical education, but we also employ other "fiery souls", who through their professional experience and drive bring skills and dynamism to Systematic.
- The average number of employees over the financial year was 346 (parent company 296). The average age of employees in the parent company is 35 years.

Systematic places great emphasis on employee satisfaction and an open and constructive dialogue, not only within the teams and projects, but across the entire Company. To support this we conduct annual employee satisfaction surveys.

Developing and raising the skill level of our staff means better solutions for our customers. We therefore test ourselves against the latest technologies and invest in developing the skill-level of each employee, through, for example, certifications.

For customers, this means a predictable delivery process through which we guarantee delivery of a quality product, on time and at the agreed price. Furthermore, many of our customers gain considerable value from the CMMI-based learning process that is generated in the course of a project's lifetime.

CMMI has been adopted by thousands of companies around the world. Only about 150 of these have achieved the highest level of maturity – level 5. With certification at the highest level of maturity in 2005, Systematic became only the third CMMI level 5 certified company in Europe.

In the last year alone, 43 software developers completed a certification, with most having achieved one of the more demanding certifications involving several examinations, such as Microsoft MCSD, PMI, ITIL and Java Architect. This investment in people adds valuable and demonstrable knowledge skills. As a natural part of the professional and personal development process, we also periodically deploy employees at customer sites or with our overseas offices.

This year, for the sixth time, we have carried out an intensive 15 day Project Manager training course. The course is based on Systematic's project model and CMMI certification and is carried out with the assistance of external trainers. In addition, based on Lean Software Development concepts, we provide training in Scrum project management with the aim of increasing the effectiveness of how we manage projects.

Every employee averaged 6.5 training course days in 2005/06. The direct costs for courses and education programmes, including salary increments for certifications passed, totalled 0.6m EUR. The sum total of work time invested and course administration equates to 7.5% of salary costs. In 2006/07, we will focus on manager and leadership development. We are also planning for a high level of education activity in 2006/07.

"We guarantee delivery of a quality product, on time and on budget..."



## Increased awareness of strategy

Throughout the entire financial year, we worked towards strengthening strategy awareness across the company, as well as creating a shared understanding on the Group's future.

Our ambition for the period from 2007 to 2010 is to double turnover, improve the bottom-line significantly and to develop Systematic into a leading international company within our core business areas.

During the year, our first action was directed towards improving earnings through clearly defined initiatives in relation to sales, management, and effectiveness:

■ **Sales** We have worked purposefully towards strengthening the order book and the order pipeline, with the goal of securing a solid base for turnover. The result is that the order book has increased by 87% and now equates to approximately one year's turnover. The weighted pipeline has increased by 46% over the financial year and now equates to approximately two year's turnover.

■ **Management** In this area, we have primarily focused on strengthening our internal organisation through the setting of clearly-defined targets and a well-defined allocation of responsibilities at and between all organisational levels/units.

■ **Effectiveness** The way we work in Systematic has been the focus for greater effectiveness. We have focused on "doing the right thing in the right way" and putting resources into continual improvements.

During the year, we have also worked on developing further Systematic's strategic base, as well as strengthening strategic coherence, in relation to our ambitions for the future. This work has, among other things, resulted in a review and revision of the Group's Mission, Vision, and Values.

## Our Mission & Vision

Realising our future ambitions therefore starts with our Mission, which expresses "Why are we here?":

**"We are a high maturity provider of IT systems, products and services for users of mission critical systems, through collaboration, confidence and world class people and technology"**

That Systematic is a mature supplier requires that we are proactive, process oriented and innovative. We must be able to attract, retain and develop the market's best employees as well as work with – and develop – world class technologies and processes. At the same time, we must ensure that our relationships with customers and partners always are based on cooperation, openness and trust. Our Vision expresses "What we strive to be":

**"A leading international player in defining the future for people who make crucial decisions every day"**

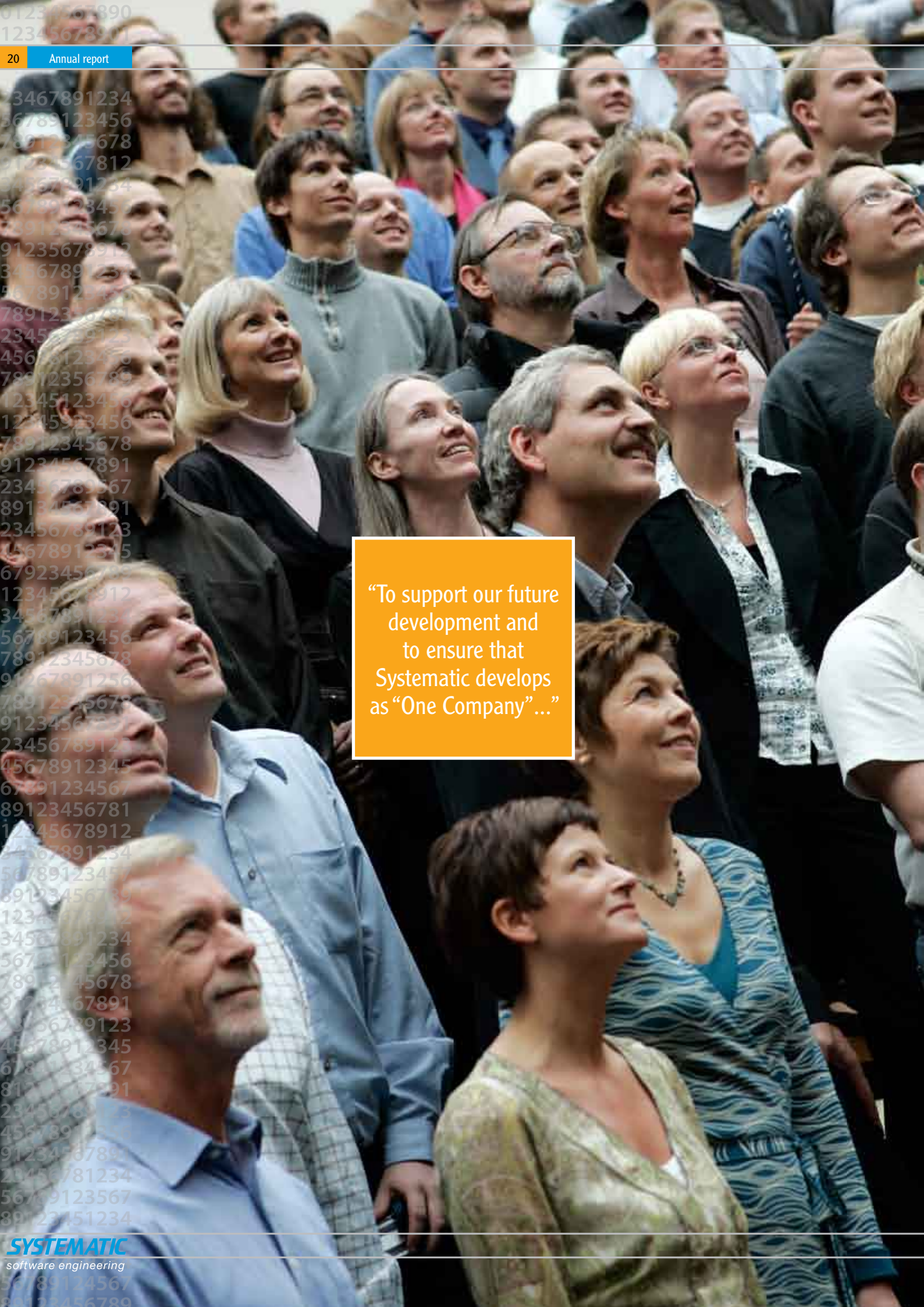
That Systematic will be a leading international company means that we must act maturely, be forward-looking, and be willing to take fully assessed risks, as well as to take the lead in those areas where we make – or intend to make – a difference.

To get that far, we need to focus constantly on making a positive difference for our customers, partners and employees. We make a difference by acting as "One Company" in all instances. We must stand out from the crowd and be a leading developer of IT tools for the future, for people who make crucial decisions every day.

Our aim is that our customers and partners consider Systematic "a leading international company" within our core business areas.

A leading developer of IT tools for people who make crucial decisions every day





“To support our future development and to ensure that Systematic develops as “One Company”...”

## A strong and shared culture

It is important that our future development is supported by a strong and shared culture. Systematic’s culture is reflected in our Values, which express “What we believe and how we behave”:

- **Making a Difference**  
A creative company that stands out from the crowd.
- **People Centric**  
Our company is built on personal and professional integrity.
- **Freedom with Responsibility**  
We believe and trust in people.

- **Pervasive Quality**  
Do the right thing in the right way.
  - **Cost Conscious**  
We use our resources wisely.
  - **Contributing to Society**  
We contribute to the advancement of the places we call home.
- These values provide us with a shared base from which we can all pull in the same direction, towards the realisation of our Vision.

## Expectations for the strategy period to 2010

The budget for the four-year period to 2010 shows a substantial growth in turnover and improved earnings across all business areas as well as our two businesses in the USA and the UK. This is supported by an increasing order book and order pipeline. We consider it important that growth is managed for controlled and balanced development.

The budget for 2006/07 has a significant increase in both turnover and earnings. The actual progress is however – as in previous years – dependent on the realisation of increased licence sales.

To support our future development and to ensure that Systematic develops as “One Company”, we have defined four strategic focus areas, one for each year:

- **In 2006/07** we will continue our focus on improving our earnings. We will continue our work with the concrete initiatives from 2005/06 concerning sales, management and effectiveness, with the aim of realising the full potential of these initiatives.

- **In 2007/08** we will place further focus on developing Systematic as “One Company”. We will develop our business model as well as ensure optimal use of synergies across the Group.
- **In 2008/09** we will focus on realising international growth, based on Systematic as “One Company”.
- **In 2009/10** we will conclusively focus on developing Systematic from being an international company to being a leading international player in our core business areas.

To improve our opportunities to address the international market, we will invest in the development of competence centres internationally at both existing and at new locations. This will strengthen Systematic’s ability to put together project teams consisting of the best and most cost-effective skills. The majority of our employees will, however, still work from Aarhus, where software development primarily takes place.



# Statement by the Management on the Annual Report

We have today presented the annual report of 2005/06 for Systematic Software Engineering A/S.

The annual report has been presented in accordance with the Danish Financial Statements Act. We consider the applied accounting policies appropriate for the annual report to provide a true and fair view of the Group's and the Parent's assets, equity and liabilities, financial position, results and cash flows.

We recommend the annual report for adoption at the Annual General Meeting.

Århus, 19. December 2006

## Management

**Michael Holm**  
President and CEO

**Lars Johansson**  
Executive Vice President

## Board of Directors

**Alex Holm Jensen**  
Chairman

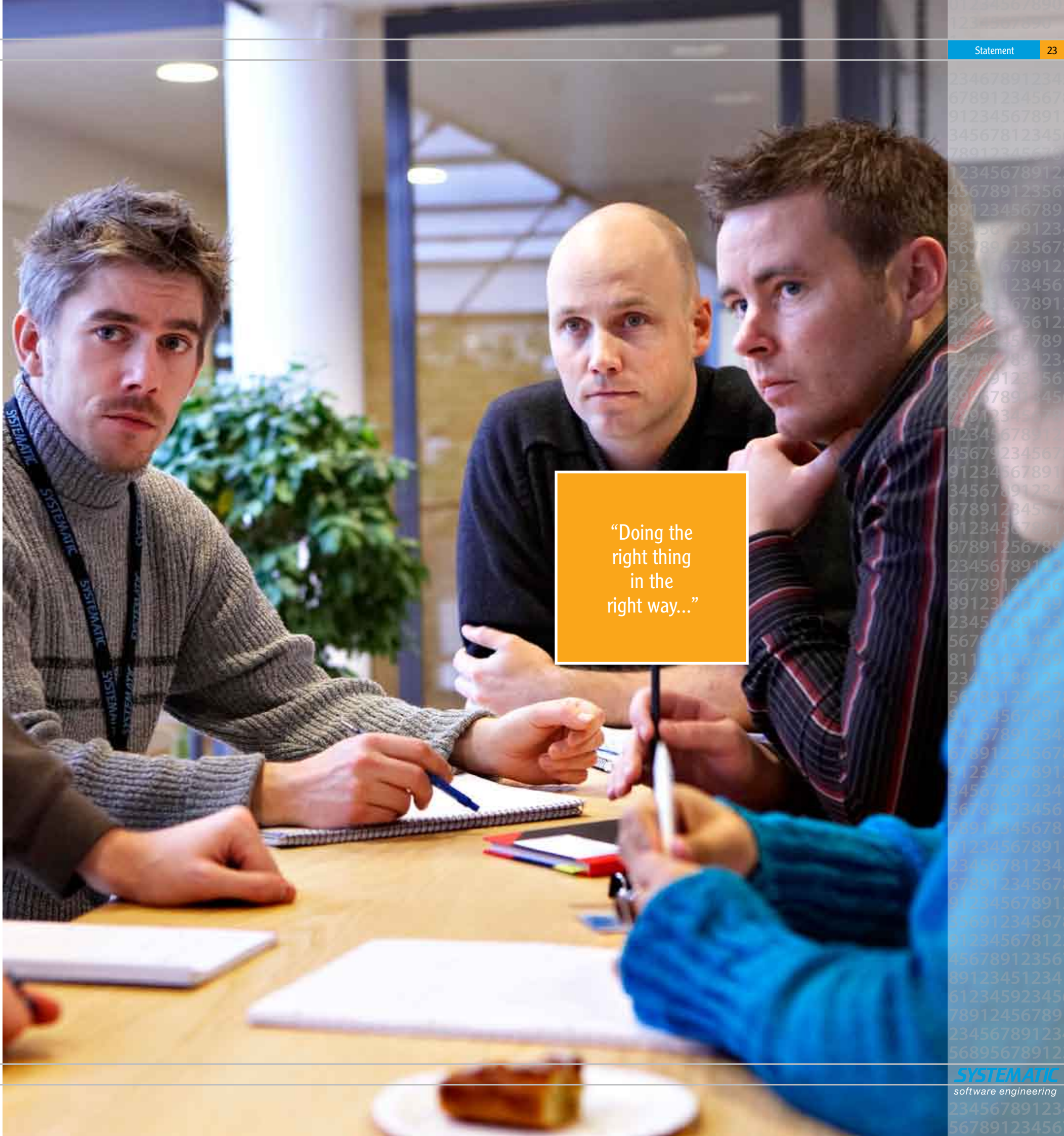
**Claus Søgaard-Christensen**  
Vice-chairman

**Preben Mejer**  
Member of the Board of Directors

**Michael Holm**  
President and CEO

**Gitte Ottosen**  
Elected by the employees

**Niels Damgaard**  
Elected by the employees



“Doing the right thing in the right way...”



# Auditors' report

## To the shareholders of Systematic Software Engineering A/S

We have audited the annual report of Systematic Software Engineering A/S for the financial year 2005/06, prepared in accordance with the Danish Financial Statements Act.

The annual report is the responsibility of the Company's Management. Our responsibility is to express an opinion on the annual report based on our audit.

### Basis of opinion

We conducted our audit in accordance with Danish Auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance that the annual report is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the annual report. An audit also includes assessing the accounting policies used and significant estimates made by the Management, as well as evaluating the overall annual report presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not resulted in any qualification.

### Opinion

In our opinion, the annual report gives a true and fair view of the Group's and the Parent Company's financial position as at 30.09.2006 and of the results of their operations as well as the consolidated cash flow for the financial year 2004/05 in accordance with the Danish Financial Statements Act.

Århus, 19. december 2006

DELOITTE  
Statsautoriseret Revisionsaktieselskab

Christian Jørgensen  
State Authorised Public Accountant

Michael Bach  
State Authorised Public Accountant

# Accounting policies

## General

This annual report for the group and the Parent Company has been prepared in accordance with provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium-size). All amounts, including previous years, have been translated from DKK to EUR at the exchange rate ruling at the year-end of 746.76 DKK to 100 EUR. The official accounting currency is DKK and the official annual report can be obtained at the companies register, Erhvervs- & Selskabsstyrelsen. The annual report has been presented under the same accounting policies as were used last year.

## Recognition and measurement

Assets are recognised in the Balance Sheet when it is probable that future economic benefits will accrue to the Group, and the value of the assets can be accurately measured. Liabilities are recognised in the Balance Sheet when they are foreseeable and can be accurately measured. On initial recognition assets and liabilities are measured at cost. Subsequent to this recognition is as described below for each item. Anticipated risks and losses arising before the date of the Annual Report that confirm or invalidate affairs and conditions existing at the Balance Sheet date are considered when recognising and measuring them. Income is recognised in the Profit and Loss Account when earned, whereas costs are recognised by the amounts attributable to the relevant financial year.

## Translation of Amounts in Foreign Currency

All Balance Sheet accounts in foreign currency denominations are translated into Danish kroner at the rate of exchange ruling at the year end or at a forward-covered rate. Realised and unrealised profits and losses on exchange are recognised in the Profit and Loss Account.

## Consolidation Principles

The Consolidated Accounts include the Parent Company and its Subsidiaries. All accounts included in the consolidated accounts are prepared using consistent accounting principles. The Consolidated Accounts are drawn up according to the past-equity principle by aggregating the items of each company. Elimination of consolidated intercompany items has been carried out. For the foreign Subsidiaries, the items in the Profit and Loss Accounts have been included at the exchange rate ruling on the transaction date. The Balance Sheet is translated at the rate of exchange ruling at year-end. The exchange rate differences arising from the translation of the Subsidiaries' equity at the beginning of the financial year to the exchange rate ruling at the end of the financial year, and the exchange rate difference arising from the translation of the Profit and Loss Accounts from the exchange rate ruling on the transaction date to the exchange rate ruling at end of the financial year, is taken to the equity of the Group.

## Minority Interest

The Minority Interests' proportion of the Subsidiaries' result and net capital have been quoted separately in the Profit and Loss Accounts and on the Balance Sheet respectively.

“Developing and raising the skill level of our staff means better solutions for our customers”



A woman in a white shirt is smiling and talking to a woman in a black shirt who is writing on a notepad. They are sitting at a table in a modern office setting with a staircase in the background. A quote box is overlaid on the image.

## Net Turnover

Contracted Work In Progress is recognised in the Profit and Loss Account based on the stage of completion, whereby revenue corresponds to the selling price of the work performed in the financial year (the percentage-of-completion method).

## Project Costs

Project Costs comprise direct costs incurred to earn revenue. Project Costs concerning contract Work In Progress is recognised when incurred.

### Other external costs

Other external costs comprise expenses incurred for rent and administration of the Group, as well as office supplies.

## Personnel costs

Personnel costs comprise salaries and other expenses incurred for staff and management.

## Tax

Tax for the year, consisting of current tax for the year and any changes in deferred tax, is recognised in the Profit and Loss Account by the proportion attributable to the profit or loss for the year.

Current tax payable or receivable is recognised in the Balance Sheet, stated as tax calculated on this years taxable income, adjusted for any tax already paid.

Other development costs are recognised in the Profit and Loss Account when incurred. Development project costs comprise costs, including salaries, and amortization directly or indirectly attributable to the development project.

Following the completion of the development work, capitalised development costs are amortized on a straight-line basis over the estimated sales period or up to a maximum of five years.

Development projects are written down to the recoverable amount if this is less than the amount currently in the Balance Sheet.

## Fixed Assets

Fixed assets are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition, and preparation costs of the asset until the time when it is ready to be put into operation. For assets held under finance leases the cost is the lower of the asset's fair value and the present value of future lease payments.

The basis of depreciation is cost less estimated residual value after the end of the asset's useful life. Depreciation is provided on a straight-line basis from the following assessment of the assets' expected useful lives:

Computers/hardware	3 years
Fixtures and fittings	5 years
Cars	6-7 years

Assets having a purchase price of less than 1,475 EUR per unit are recorded as expenses in the Profit and Loss Account in the year of acquisition.

The purchase of specific software programs for development purposes is capitalised and depreciated as computer equipment. The purchase of general software is charged to the Profit and Loss Account.

## Development projects

Development projects relating to products that are clearly defined and identifiable, where the technical applicability, sufficient resources, and potential markets or development opportunities in the company are evidenced, and where it is intended to produce, market, or use the projects, are recognised as intangible fixed assets.



# Balance Sheet

## Investments in Subsidiaries

Investments (shares) in Subsidiaries are stated in accordance with the equity method. Shares are recorded in the Balance Sheet as the owner's share of the internal accounting value of the Subsidiaries after deduction of any unrealised internal profit. If a Subsidiary's equity is negative, the equity is offset against any outstanding account with the Subsidiary.

The owner's share of the Subsidiaries' result is included in the Profit and Loss account after the deduction of any intercompany transactions. The Subsidiaries' profit or loss for the year are included in the item "Profit from Subsidiaries before Taxation" whereas the allocated taxation amount is included in the item "Tax".

The Profit and Loss Accounts for the foreign Subsidiaries are translated into Danish Kroner at the rate of exchange on the transaction date. The Balance Sheet is translated at the rate of exchange at year end. The exchange rate differences arising from the translation of the investment in the Subsidiaries at the beginning of the financial year to the exchange rate ruling at the end of the financial year is taken directly to the equity of the Group. This is also the case for the exchange rate difference arising from the translation of the Profit and Loss Account from the exchange rate ruling on the transaction date to the exchange rate ruling at the end of the financial year.

## Work In Progress

Work In Progress (construction contracts) is calculated as the selling price of the work carried out at the Balance Sheet date. The selling price is calculated based on the stage of completion and the total estimated income from the individual contracts in progress. The stage of completion is determined as the ratio between the actual and total budgeted consumption of resources.

Each contract in progress is recognised in the Balance Sheet under receivables or liabilities other than provisions, depending on whether the net value, calculated as the selling price less prepayments received, is positive or negative.

Costs of sales work and of securing contracts as well as financing costs are recognised in the Profit and Loss Account when incurred.

## Receivables

Receivables are measured at amortised cost, usually equalling their nominal value less any provision for bad debts.

## Equity

Dividends are recognised as a liability at the time of their adoption at the general meeting. The proposed dividends for the financial year are disclosed as a separate item under equity.

## Deferred Tax

Deferred tax is recognised and calculated applying the liability method on all timing differences between the carrying amount and tax-based valuation of the assets and liabilities. The tax-based valuation of the assets is calculated based on the planned use of each asset.

Deferred tax is calculated based on the tax rates and regulations of the relevant countries that will be in effect when the deferred tax is estimated to crystallise as current tax, using the laws at the balance sheet date. Any changes in deferred tax resulting from changed tax rates is recognised in the Profit and Loss Account.

## Leasing

Lease commitments relating to assets held under finance leases are recognised in the Balance Sheet under liabilities other than provisions, and are measured at their amortised cost after their initial recognition. The interest portion of any lease payments is recognised over the term of the contracts as financial costs in the Profit and Loss Account.

## Other financial liabilities

Other financial liabilities are recognised at amortised cost, which usually corresponds to their nominal value.

## Prepayments and accrued income

Deferred income comprises revenue for recognition in subsequent financial years. Deferred income is calculated at amortised cost, which usually corresponds to its nominal value.

“More strategic partnerships with global system integrators and service companies”







## Profit & Loss Account for the Year

	The Group		The Parent Company	
	2005/06 EUR	2004/05 1000 EUR	2005/06 EUR	2004/05 1000 EUR
Turnover	35.021.685	29.079	30.253.479	23.966
Project costs	(3.394.669)	(2.006)	(4.180.602)	(2.149)
Other external costs	(5.897.101)	(5.564)	(4.551.353)	(4.315)
1 Personal costs	(23.140.007)	(19.851)	(19.594.265)	(16.600)
2 Depreciation	(1.223.991)	(992)	(1.082.882)	(883)
<b>Operation Profit</b>	<b>1.365.918</b>	<b>666</b>	<b>844.377</b>	<b>20</b>
Share of Subsidiaries'				
Result before tax			445.102	543
3 Net Financial Income	25.635	155	8.042	129
<b>Profit before Tax</b>	<b>1.391.553</b>	<b>821</b>	<b>1.297.521</b>	<b>692</b>
4 Tax	(371.297)	12	(326.135)	51
<b>Profit for the Year</b>	<b>1.020.256</b>	<b>834</b>	<b>971.386</b>	<b>742</b>
The minority interests' part of the subsidiaries' profit for the year	(48.870)	(91)		
The Parent Company's part of the profit for the year	971.386	742		
<b>Proposed distribution of profit/loss</b>				
Dividends for the financial year			2.008.677	
Transfer to reserve for net revaluation under the equity method			181.082	
Retained earnings			(1.218.373)	
			<b>971.386</b>	

## Balance sheet as at 30 September 2006

	The Group		The Parent Company	
	2005/06 EUR	2004/05 1000 EUR	2005/06 EUR	2004/05 1000 EUR
<b>Assets</b>				
5 Intangible Fixed Assets	2.376.051	2.933	2.095.531	2.933
6 Tangible Fixed Assets	1.385.268	1.689	989.660	1.195
7 Financial Fixed Assets	360.095	361	1.948.582	1.768
<b>Total Fixed Assets</b>	<b>4.121.414</b>	<b>4.983</b>	<b>5.033.773</b>	<b>5.896</b>
Receivables	9.127.241	8.322	6.142.870	6.604
8 Work in progress	1.034.454	675	766.480	675
Receivables from affiliated companies			1.261.515	652
Other receivables	694.664	521	201.100	241
Port folio shares	703	1	703	1
Cash at bank	4.989.656	4.897	4.078.899	3.382
<b>Total Current Assets</b>	<b>15.846.718</b>	<b>14.416</b>	<b>12.451.567</b>	<b>11.554</b>
<b>Total Assets</b>	<b>19.968.132</b>	<b>19.398</b>	<b>17.485.340</b>	<b>17.450</b>



## Balance sheet as at 30 September 2006

	The Group		The Parent Company	
	2005/06 EUR	2004/05 1000 EUR	2005/06 EUR	2004/05 1000 EUR
<b>Liabilities</b>				
Share Capital	1.339.118	1.339	1.339.118	1.339
Reserve for net writing-up of capital investment	0	0	1.453.779	1.273
Carried forward to next year	4.663.270	5.721	3.209.491	4.449
Proposed dividend for the financial year	2.008.677	335	2.008.677	335
<b>Total Equity</b>	<b>8.011.066</b>	<b>7.395</b>	<b>8.011.066</b>	<b>7.395</b>
<b>Minority Interests in Subsidiaries</b>				
	<b>521.331</b>	<b>472</b>		
<b>9</b> Deferred Tax	788.875	1.235	788.875	1.235
<b>Total Provisions</b>	<b>788.875</b>	<b>1.235</b>	<b>788.875</b>	<b>1.235</b>
<b>Financial leasing</b>				
	34.423	100	34.423	100
<b>Total Long Term Creditors</b>	<b>34.423</b>	<b>100</b>	<b>34.423</b>	<b>100</b>
<b>Financial leasing</b>				
	66.031	131	66.031	131
Bank debt	0	0	0	0
<b>8</b> Advance payment from customers	1.893.545	1.159	1.893.545	1.159
Account Payable	695.296	717	627.201	683
Corporate Tax	758.807	860	644.343	755
Other creditors	5.243.627	5.370	4.475.730	5.142
<b>10</b> Prepayments and accrued income	1.955.133	1.960	944.127	848
<b>Total Short Term Creditors</b>	<b>10.612.437</b>	<b>10.196</b>	<b>8.650.976</b>	<b>8.719</b>
<b>Other liabilities</b>				
<b>11</b> Accountancy				
<b>12</b> Related Parties				
<b>13</b> Leasing commitments				
<b>14</b> Contingent liabilities				

## Equity

	2005/06 EUR	2004/05 1000 EUR	2005/06 EUR	2004/05 1000 EUR
<b>Share Capital</b>				
The Share Capital consists of 10,000 shares at DKK 1,000	1.339.118	1.339	1.339.118	1.339
The Shares are not divided into classes There have not been any changes in the share capital during the last five years				
<b>Reserve for net writing-up of capital investment</b>				
Balance as at 1 October 2004	0	0	1.272.697	978
Transferred from the result of the year	0	0	181.082	294
<b>Balance as at 30 September 2005</b>	<b>0</b>	<b>0</b>	<b>1.453.779</b>	<b>1.273</b>
<b>Carried forward to next year</b>				
Balance as at 1 October 2004	5.721.252	5.302	4.448.555	4.324
Effect of change in accounting policies	0	0	0	0
Foreign exchange rate adjustment of subsidiaries' equity as at 1 October 2005	(20.691)	12	(20.691)	12
Transferred from the result of the year	(1.037.291)	408	(1.218.373)	113
<b>Balance as at 30 September 2005</b>	<b>4.663.270</b>	<b>5.721</b>	<b>3.209.491</b>	<b>4.449</b>
<b>Proposed dividend for the financial year</b>				
Balance as at 1 October 2004	334.780	0	334.780	0
Dividend paid	(334.780)	0	(334.780)	0
Dividend for the financial year	2.008.677	335	2.008.677	335
<b>Balance as at 30 September 2005</b>	<b>2.008.677</b>	<b>335</b>	<b>2.008.677</b>	<b>335</b>
<b>Equity as at 30 September 2005</b>	<b>8.011.066</b>	<b>7.395</b>	<b>8.011.066</b>	<b>7.395</b>



## Cash flow statement

	The Group	
	2005/06 1000 EUR	2004/05 1000 EUR
Profit for the year after tax	1.020	834
Depreciation	1.224	992
Depreciation recognized as development projects	20	78
Tax	371	(12)
<b>15</b> Working capital changes	(756)	198
Income taxes paid	(919)	(31)
<b>Cash flows from operation activities</b>	<b>960</b>	<b>2.058</b>
Acquisition of intangible fixed assets	(11)	(1.960)
Acquisition of tangible fixed assets	(375)	(707)
Acquisition of net financial fixed assets	1	(1)
Sale of fixed assets	5	140
<b>Cash flows from investing activities</b>	<b>(381)</b>	<b>(2.528)</b>
Instalment on financial leasing	(131)	(210)
Dividends paid	(335)	0
Unrealized exchange rate adjustments	(21)	12
<b>Cash flows from financing activities</b>	<b>(486)</b>	<b>(198)</b>
<b>Change in cash and cash equivalents</b>	<b>93</b>	<b>(669)</b>
Cash and cash equivalents at the beginning of the year	4.897	5.566
<b>Cash and cash equivalents at the end of the year</b>	<b>4.990</b>	<b>4.897</b>

## Notes

	The Group		The Parent Company	
	2005/06 EUR	2004/05 1000 EUR	2005/06 EUR	2004/05 1000 EUR
<b>1 Personnel costs</b>				
Salaries and Holiday Allowance	21.329.694	18.106	18.539.323	15.493
Pension Schemes	1.178.356	1.065	996.162	970
Social Costs	453.800	438	170.692	166
Sickness Payment	(141.537)	(130)	(141.537)	(130)
Other Personnel Costs	319.694	373	29.625	101
	<b>23.140.007</b>	<b>19.851</b>	<b>19.594.265</b>	<b>16.600</b>
Average number of employees	346	348	296	300
Remuneration for Management and Board of Directors	386.123	210	386.123	210
Personnel costs recognized as development projects	993.333	1.670	712.813	1.670
<b>2 Depreciations</b>				
Intangible Fixed Assets	534.569	341	534.569	341
Tangible Fixed Assets	689.422	650	548.313	542
	<b>1.223.991</b>	<b>992</b>	<b>1.082.882</b>	<b>883</b>
Depreciations recognized as development projects	19.685	78	19.685	78
<b>3 Net financial income</b>				
Expenditure on Interest	(19.601)	(29)	(15.224)	(25)
Income from Interest	159.782	153	126.461	119
Foreign Currency Adjustment	(114.546)	31	(103.195)	35
	<b>25.635</b>	<b>155</b>	<b>8.042</b>	<b>129</b>
Income from Interest concerning Intercompany Balance			0	0
<b>4 Tax</b>				
Calculated Corporate Tax	(694.735)	(981)	(694.735)	(981)
Adjustment of Deferred Tax	446.596	934	446.596	934
Adjustment of Tax rate	0	155	0	155
Addition regarding tax 2003/04	0	9	0	9
Share of Tax in Subsidiaries	(123.158)	(105)	(77.996)	(66)
	<b>(371.297)</b>	<b>12</b>	<b>(326.135)</b>	<b>51</b>



## Notes

	The Group	The Parent Company
	Development projects EUR	Development projects EUR
<b>5 Intangible fixed assets</b>		
Acquisition costs as at 1 October 2005	3.389.978	3.389.978
Additions	1.109.300	828.780
Disposals	(1.131.689)	(1.131.689)
<b>Acquisitions costs as at 30 September 2006</b>	<b>3.367.590</b>	<b>3.087.069</b>
Depreciations as at 1 October 2005	456.970	456.970
Depreciations, disposals	0	0
Depreciations 2005/06	534.569	534.569
<b>Depreciations as at 30 Septemer 2006</b>	<b>991.539</b>	<b>991.539</b>
<b>Book value as at 30 september 2006</b>	<b>2.376.051</b>	<b>2.095.531</b>
Book value as at 30 september 2005	2.933.008	2.933.008

## Notes

The Group	Rebuilding of rented premises EUR	Cars EUR	Comp. Equip EUR	Furniture EUR	Total EUR
<b>6 Tangible fixed assets</b>					
Acquisition costs as at 1 Oct. 2005	804.171	255.905	2.064.849	1.533.954	4.658.879
Additions	207.960	0	158.234	8.839	375.033
Disposals	0	0	(200.135)	(26.391)	(226.525)
<b>Acquisition costs as at Sept. 2006</b>	<b>1.012.131</b>	<b>255.905</b>	<b>2.022.949</b>	<b>1.516.402</b>	<b>4.807.388</b>
Depreciation as at 1 October 2005	269.936	140.172	1.711.231	846.193	2.967.533
Depreciations, disposals	(7.171)	0	(195.527)	(19.221)	(221.919)
Depreciations 2005/06	117.188	31.808	238.604	288.905	676.506
<b>Depreciations as at 30 Sept. 2006</b>	<b>379.954</b>	<b>171.980</b>	<b>1.754.309</b>	<b>1.115.877</b>	<b>3.422.120</b>
<b>Book value as at 30 Sept 2006</b>	<b>632.178</b>	<b>83.924</b>	<b>268.640</b>	<b>400.525</b>	<b>1.385.268</b>
Book value as at 30 Sept 2005	532.619	115.732	353.350	687.225	1.688.926
Recognised leased assets as at 30 September 2006	0	0	0	143.195	143.195

Parent Company					
<b>Tangible fixed assets</b>					
Acquisition costs as at 1 Oct. 2005	482.630	255.905	1.739.779	1.312.725	3.791.038
Additions	207.466	0	126.136	0	333.602
Disposals	0	0	(192.723)	(21.439)	(214.163)
<b>Acquisition costs as at 30 Sep. 2006</b>	<b>690.097</b>	<b>255.905</b>	<b>1.673.191</b>	<b>1.291.285</b>	<b>3.910.478</b>
Depreciation as at 1 Oct. 2005	237.179	140.172	1.497.642	721.400	2.596.394
Depreciations, disposals	0	0	(188.389)	(21.439)	(209.828)
Depreciations 2005/06	101.218	31.808	168.294	232.932	534.252
<b>Depreciations as at 30 Sep. 2006</b>	<b>338.398</b>	<b>171.980</b>	<b>1.477.548</b>	<b>932.892</b>	<b>2.920.818</b>
<b>Book value as at 30 Sept 2006</b>	<b>351.699</b>	<b>83.924</b>	<b>195.643</b>	<b>358.393</b>	<b>989.660</b>
Book value as at 30 Sept 2005	245.451	115.732	242.136	591.325	1.194.645
Recognised leased assets as at 30 September 2006	0	0	0	143.195	143.195



## Notes

The Group	Deposit for rent
<b>7 Financial fixed assets</b>	<b>EUR</b>
Acquisition costs as at 1 October 2005	360.756
Additions	459
Disposals	(1.120)
Acquisition costs as at 30 September 2006	360.095
Depreciation as at 1 October 2005	0
Depreciations, disposals	0
Depreciations 2005/06	0
Depreciations as at 30 September 2006	0
<b>Book value as at 30 September 2006</b>	<b>360.095</b>
Book value as at 30 September 2005	360.756

Parent Company	Deposit for rent	Capital int. in subsidiaries	Total
<b>7 Financial fixed assets</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Acquisition costs as at 1 October 2005	360.756	134.708	495.464
Additions	459	0	459
Disposals	(1.120)	0	(1.120)
<b>Acquisition costs at as 30 September 2006</b>	<b>360.095</b>	<b>134.708</b>	<b>494.803</b>
Net revaluation as at 1 October 2005	0	1.272.697	1.272.697
Foreign Exchange Adjustment	0	(20.691)	(20.691)
Dividend paid	0	(165.333)	(165.333)
Net revaluation 2005/06	0	367.106	367.106
Net revaluation as at 30 September 2006	0	1.453.779	1.453.779
<b>Book value as at 30 September 2006</b>	<b>360.095</b>	<b>1.588.487</b>	<b>1.948.582</b>
Book value as at 30 September 2005	360.756	1.407.405	1.768.161

### Capital interests in subsidiaries include:

- Shares of a nominal value of GBP 33.333 (63,33%) in Systematic Software Engineering Ltd., Coliseum Business Centre, Riverside Way, Camberley, Surrey GU153 YL, UK.
- Shares of a nominal value of USD 111.000 (100%) in Systematic Software Engineering Inc., 10680 Main Street Suite 170, Fairfax, Virginia 22030, USA.
- The acquisition value corresponds to the internal value of the shares at the time of the acquisition.

	Share of ownership	Result from accounts 05/06	Equity
Systematic Software Engineering Ltd.	63,33%	133.285	1.421.767
Systematic Software Engineering Inc.	100%	282.697	688.051

## Notes

	The Group		The Parent Company	
	2005/06 EUR	2004/05 1000 EUR	2005/06 EUR	2004/05 1000 EUR
<b>8 Work in progress</b>				
Work in Progress	8.249.670	7.160	7.981.696	7.160
On account invoicing	(9.108.761)	(7.645)	(9.108.761)	(7.645)
	<b>(859.091)</b>	<b>(485)</b>	<b>(1.127.065)</b>	<b>(485)</b>
<b>Net value incorporated in the balance sheet as follows</b>				
Work in Progress	1.034.454	675	766.480	675
Advance payment from customers	(1.893.545)	(1.159)	(1.893.545)	(1.159)
	<b>(859.091)</b>	<b>(485)</b>	<b>(1.127.065)</b>	<b>(485)</b>

Work in progress includes a profit of 179,845 EUR compared to 1,465,914 EUR in 2004/05

Work in progress due after more than 12 month amounts to 0 EUR compared to 0k EUR in 2004/05

	Parent Company/Group	
	2005/06 EUR	2004/05 1000 EUR
<b>9 Deferred tax fall on the following entries</b>		
Fixed Assets	854.224	864
Current Assets	152.793	510
Obligations	(218.142)	(139)
	<b>788.875</b>	<b>1.235</b>

	The Group		The Parent Company	
	2005/06 EUR	2004/05 1000 EUR	2005/06 EUR	2004/05 1000 EUR
<b>10 Prepayments and accrued income</b>				
Prepayments and accrued income related to service contracts	1.955.133	1.555	944.127	848
Other prepayments	0	404	0	0
	<b>1.955.133</b>	<b>1.960</b>	<b>944.127</b>	<b>848</b>

<b>Accountancy</b>				
<b>11 Remuneration Deloitte A/S</b>				
Audit	40.174	42	40.174	42
Account- and consulting services	29.539	29	29.539	29
<b>Remuneration Grant Thornton</b>				
Audit	17.036	14	0	0
	<b>86.748</b>	<b>86</b>	<b>69.712</b>	<b>72</b>



# Notes

12

Related Parties

1000 EUR

Related parties with a controlling interest:

- The majority shareholder - Michael Holm Holding ApS

Other related parties with whom the company has had transactions in 2005/06

- Attorney Claus Søgaard-Christensen
- Alex Holm Jensen
- Preben Mejer

Transactions between related parties in 2005/06

- |  |    |
|--|----|
| - Lease agreement with Michael Holm Holding ApS regarding fixed assets, lease payments amount to | 79 |
| - Legal assistance from attorney Claus Søgaard-Christensen, amount to                            | 12 |
| - Rent of apartment from Michael Holm, amount to   | 16 |
| - Rent of apartment from Alex Holm Jensen, amount to   | 21 |
| - Consultancy assistance from Alex Holm Jensen, fee amount to                                    | 20 |
| - Consultancy assistance from Preben Mejer, fee amount to  | 3  |

Systematic Software Engineering A/S has in 2005/06 had a normal trading of software licenses and engineer fees with consolidated subsidiaries.

13

Leasing Commitments

For the years 2006-2010 has the company leased cars.

The annual lease payment are	51
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14

Contingent Liabilities

Guaranty obligations covered by bank guaranties on demand	596
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# Notes

	The Group	The Group
	2005/06 EUR	2004/05 1000 EUR
15 Working Capital Changes		
Change in work in progress and advance payment from customers	374	2.420
Change in receivables	(978)	(3.866)
Change in trade payables etc	(152)	1.643
	(756)	198



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