Interim report as of September 30, 2003

SOFTWARE AG
THE XML COMPANY

Key figures

in million EUR (unless otherwise stated)		**Sept. 30, 2003**		**Sept. 30, 2002**
Revenues		**304.4**		**354.6**
Products		212.4		232.2
of which licensing	68.7		81.5	
of which maintenance	143.7		150.7	
Project services		90.1		121.3
Other		1.9		1.1
Operating income		**22.5**		**11.6**
as % of revenues		7%		3%
Income from investments		**-**		**31.6**
Restructuring expenses		**-23.8**		**-13.1**
Income before taxes		**-1.3**		**30.1**
as % of revenues		0%		8%
Income after taxes		**-3.5**		**17.4**
as % of revenues		-1%		5%
Earnings per share (EUR)		-0.13		0.64
Total assets		**427.4**		**440.8***
Cash and cash equivalents		**74.8**		**75.4***
Stockholders' equity		**223.8**		**214.5***
as % of total assets		52%		49%*
Employees		**2,801**		**3,064**
of which outside Germany		1,661		1,805

Software AG shares are listed on the Frankfurt Stock Exchange, Germany (Prime Standard, TecDAX). ISIN DE 0003304002, ticker symbol SOW.

* as of December 31, 2002.

This interim report has not been audited.

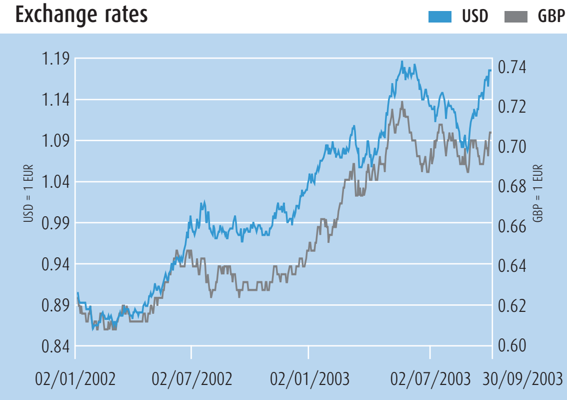
Management report

Earnings development remains healthy

During the third quarter of 2003, Software AG continued the positive earnings trend set in previous periods. Operating income nearly doubled in the first nine months of the year. Third-quarter maintenance revenues rose, adjusted for currency translation effects, by 7 percent. We achieved this despite no improvement in the IT industry and economy at large during the third quarter. Customers' uncertain growth prospects continue to impact demand for IT products and services. On today's software market, delayed spending, downsized projects and price pressure are the norm. The upturn widely forecast for the IT market did not materialize in the third quarter. Although the dollar's weakness against the euro affected revenues at Software AG, the impact on income was significantly less pronounced, because a major proportion of costs are also in dollars. Since the beginning of 2002, the dollar has lost 32 percent against the euro.

The restructuring program initiated at the beginning of 2003 helped compensate for the marked downturn in de-

Exchange rates



Source: European Central Bank

mand, which was particularly marked for project services. Cost-cutting measures had been largely implemented by June 30, 2003, giving a welcome boost to Software AG's profitability in the third quarter. Proactive cost management brought forward the positive impact of the program.

During the course of the year, we have adjusted the Software AG strategy in line with the requirements of today's market. Increasingly, customers expect off-the-peg solutions to specific problems, and prefer products that require little customization and deliver a rapid return on investment (ROI). Against this backdrop, we decided to strategically realign the Company as a combined technology, solution and service provider, and no longer as a dedicated technology vendor only.

Karl-Heinz Streibich new Software AG CEO

On October 1, 2003, Karl-Heinz Streibich succeeded Karl Heinz Achinger as Software AG's CEO (chief executive officer). Mr. Achinger, acting CEO since December 1, 2002, will return to the Supervisory Board. Mr. Streibich is fully committed to the Company's new approach. His stated aim is a return to sustainable growth, increased profits and a stronger financial foundation. With a high-quality customer base, a market presence in 70 countries and innovative technology, Software AG is ideally placed to achieve these goals. We will initially work to expand the scope and quality of existing customer relationships. To exploit future potential for growth, we will broaden our product portfolio by developing innovative new software platforms using our leading XML expertise. We will develop standard industry-specific solutions, and customize them, either in-house or in collaboration with external systems integrators, according to customers' individual needs.

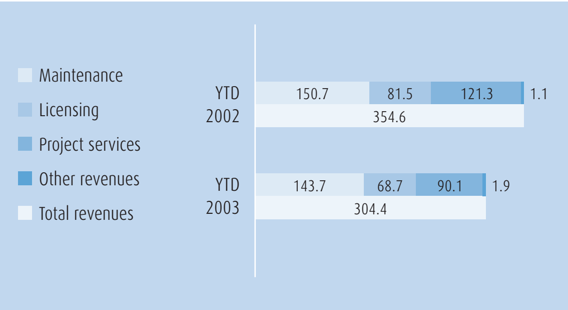
Product revenues stable over the first nine months

Software AG posted total revenues of 304.4 million euros in the first nine months of 2003, down 14 percent on the same period of the previous year. However, nearly 50 percent of this figure was invoiced in either dollars or pounds, which both lost ground against the buoyant euro. This led to currency translation effects totaling approximately 7 percent. Adjusted for these effects, revenues only declined by 7 percent.

Product sales, comprising maintenance and licensing, totaled 212.4 million euros (232.2 million euros in 2002). However, when calculated using 2002 currency rates, the 2003 figure is actually slightly higher than that for the previous year, primarily due to the 5 percent increase (before currency effects) in maintenance revenues. Testament to the long-term benefit of our products, maintenance remains a steady source of revenues. Sales of new software, by contrast, are subject to considerable fluctuations in line with the economic climate. Adjusted for currency translation effects, licensing revenues fell by 8 percent.

Project services generated 90.1 million euros (121.3 million euros in 2002) over the first nine months of 2003. This contraction is primarily attributable to Central and Eastern Europe, where capacity has been streamlined to match

Revenues (in million EUR)



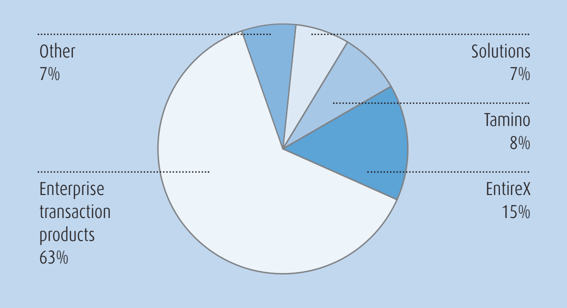
weak demand, especially in Germany. A further factor is the Company's decision to withdraw from unprofitable projects.

Q3 maintenance revenues up 7 percent before currency effects

During the third quarter, revenues development was similar to the first nine months of 2003. Maintenance contracts contributed the largest share, at 48.3 million euros (48.4 million euros in 2002). Before currency effects, this represents a year-on-year increase of 7 percent. Software AG recorded third-quarter licensing sales of 22.9 million euros (26.2 million euros in 2002); total revenues were at 99.5 million euros (114.8 million euros in 2002). Project services fell from 39.8 million euros in 2002 to 27.9 million euros, reflecting restructuring in Central and Eastern Europe (where the core market is Germany).

The seasonal downtick in revenues between the second and third quarters of the fiscal year saw total revenues decrease 5 percent to 99.5 million euros. This breaks down into a 5 percent reduction in licensing and 12 percent in project services revenues, but a 1 percent increase in maintenance revenues.

Licensing revenues by product group (YTD 2003)



Enterprise transaction products remain key contributors to licensing revenues

Our enterprise transaction products, Adabas and Natural, were once again the main contributors to licensing revenues over the first nine months of the year, accounting for 63 percent (unchanged on 2002).

EntireX, our portfolio of products for application and platform integration, increased its slice of licensing revenues from 13 to 15 percent. However, Tamino XML Server fell from 11 percent to 8 percent. Sales of standard solutions based on XML components are beginning to take off, up from 5 percent to 7 percent of licensing revenues.

Operating income almost doubled for first nine months

The successful restructuring program helped nearly double operating income in the first nine months from 11.6 million euros in 2002 to 22.5 million euros in 2003. Proactive cost management brought forward the positive impact of the program, and this is expected to lead to savings of between 30 and 35 million euros in the current fiscal year alone. The 23.8 million-euro restructuring charges posted in the first quarter have already been absorbed—the Company does not foresee any further such expenses.

Adjusted for restructuring charges, total costs fell 17 percent to 296.1 million euros. This is primarily a consequence of falling personnel expenses (-14 percent) and other operating expenses (-13 percent). As of September 30, 2003, Software AG employed a workforce of 2,801 (down 9 percent on the end of September 2002). As a result of the restructuring program, employee numbers will reach the target of 2,750 in early 2004 (the equivalent of 2,700 full-time positions). In addition to restructuring charges, other operating expenses include sales commissions to third parties and costs for day-to-day operations.

As a result of the 23.8 million-euro exceptional provisions for restructuring charges carried in the first quarter, income before tax was in the red on September 30, 2003, at -1.3 million euros. After tax expenses of 2.2 million euros, net income totaled -3.5 million euros. As a result of the positive net income forecast for the fourth quarter, Software AG is on course to post a full-year profit. On September 30, 2002, net income totaled 17.4 million euros. However, this figure included 31.6 million euros from divestments, and restructuring charges of 13.1 million euros.

Q3 operating profit climbs 22 percent

Uniform with the pattern of the first nine months, total costs were trimmed by 15 percent during the third quarter. Again, this was mainly a result of lower other operating costs and personnel expenses. This helped the Company to post third-quarter income before tax of 9.6 million euros, a 22 percent improvement on 2002. However, the increased tax burden

Result (in million EUR)	Q3 2003	Q3 2002	YTD Sept. 2003	YTD Sept. 2002
Operating EBITDA	**16.0**	**15.1**	**42.2**	**36.6**
Depreciation	-1.7	-2.6	-6.0	-11.0
Operating EBITA	**14.3**	**12.5**	**36.2**	**25.6**
Goodwill	-5.5	-5.5	-16.4	-16.4
Financial income	+0.8	+0.9	+2.7	+2.4
Operating income	**9.6**	**7.9**	**22.5**	**11.6**
Income from investments	-	-	-	+31.6
Restructuring expenses	-	-	-23.8	-13.1
Income before tax	**9.6**	**7.9**	**-1.3**	**30.1**
Taxes	-5.7	-2.3	-2.2	-12.7
Net income	**3.9**	**5.6**	**-3.5**	**17.4**
Earnings per share (in EUR)	0.14	0.21	-0.13	0.64

meant that, at 3.9 million euros, net income did not match 2002 levels (5.6 million euros).

Despite the seasonal downtick in revenues between the second and third quarter, there was only a minimal reduction in third-quarter margins, with net profit margin actually rising from 2.2 percent to 3.9 percent.

Equity-to-total-assets ratio climbs to 52 percent

As of September 30, 2003, Software AG had assets totaling 427.4 million euros, 13.4 million euros lower than at the close of 2002.

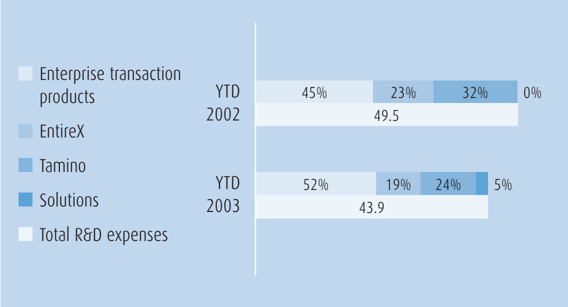
Significant changes to balance-sheet items are given below:

- Fixed assets fell 18.4 million euros to 202.7 million euros, mainly as a result of scheduled amortization of goodwill.
- Receivables and other assets decreased from 132.6 million euros to 114.8 million euros. This includes trade receivables of 108.6 million euros. The reduction was attributable to the expected third-quarter dip, the weak US dollar and a decrease in days' sales outstanding, which fell to 96—5 less than at the end of the second quarter. No receivables were factored during the reporting period.
- Cash and cash equivalents were only slightly below the figure at the close of 2002. Despite the cash outflow incurred for the restructuring program, there was a mere 0.6 million-euro difference, at 74.8 million euros.
- The Company is applying German accounting standard 10 (DRS 10) for the first time in fiscal 2003. DRS 10 requires companies to capitalize deferred taxes—increasing prepaid expenses from 7.1 million euros to 30.8 million euros.

- Equity climbed by 9.3 million euros to 223.8 million euros during the first nine months, taking the equity-to-total-assets ratio to 52 percent, its highest level since the IPO in 1999.
- Provisions declined from 108.7 million euros to 101.5 million euros.
- Liabilities fell sharply over the first three quarters, from 35.9 million euros to 27.9 million euros. This was chiefly a consequence of lower business volumes, cost-cutting measures and the weakness of the dollar. As of the balance-sheet date, there were no liabilities to banks.
- Deferred income declined from 81.7 million euros to 74.2 million euros, primarily as a result of currency translation effects.

On September 30, 2003, Software AG posted operating cash flow totaling 6.9 million euros, including payments already made under the restructuring program of 12.3 million euros. This not only serves to bolster the Company's already firm financial footing, but also clearly demonstrates that the Company has sufficient resources to finance future growth.

Research & development expenses by product group
(Total R&D expenses in million EUR, by product group as a percentage of total R&D expenses)



R&D spending on XML-based solutions rises to 5 percent

Spending on research and development totaled 43.9 million euros during the first three quarters of fiscal 2003, 11 percent below 2002 levels. Costs for enterprise-transaction products Adabas and Natural rose slightly from 22.3 million euros to 22.8 million euros. However, the Company was able to cut R&D expenditure for EntireX and Tamino XML Server, as both products are now at an advanced stage (18.9 million euros after 27.2 million euros in 2002). In accordance with our revised strategy, 2.2 million euros, 5 percent of the entire R&D budget, was invested in our new solutions; this share is set to increase in future.

Segment report

Americas remain strongest region

Business development varied from region to region over the first nine months of the year.

The strong euro had a stark impact on results in the Americas, where a slight revenue downturn was posted for all segments, both for the third quarter and first nine months. Adjusted for negative currency effects of 4.7 million euros in the third quarter and 20.1 million euros over the first nine months, the region's revenues fell 3.4 percent and

Segment report (January 1 to September 30, 2003, differences due to rounding)

	Americas		Southern/Western Europe		Northern and Asia/
in thousand EUR	YTD 2003	YTD 2002	YTD 2003	YTD 2002	YTD 2003
Licensing	25,558	34,258	13,444	11,488	17,073
Maintenance	63,963	68,966	20,757	21,116	27,975
Project services	12,654	22,691	48,923	55,307	5,331
Other	983	715	817	105	313
Total revenues	**103,158**	**126,629**	**83,941**	**88,016**	**50,692**
Operating EBITA	**28,271**	**28,539**	**8,728**	**10,483**	**13,452**

Segment report (July 1 to September 30, 2003, differences due to rounding)

	Americas		Southern/Western Europe		Northern and Asia/
in thousand EUR	Q3 2003	Q3 2002	Q3 2003	Q3 2002	Q3 2003
Licensing	8,842	12,523	3,447	3,159	6,248
Maintenance	21,475	21,599	7,124	7,147	9,182
Project services	4,279	6,671	15,055	17,261	1,874
Other	275	200	75	0	43
Total revenues	**34,871**	**40,993**	**25,701**	**27,567**	**17,347**
Operating EBITA	**9,278**	**11,709**	**1,899**	**3,155**	**4,997**

2.6 percent respectively. However, in spite of the weak dollar, the Americas contributed more than one third of total revenues.

The effect of the falling dollar was less pronounced on income than on revenues. Earnings before interest, tax and amortization (EBITA) totaled 28.3 million euros for the year to September, virtually the same as 2002. Before currency effects, EBITA totaled 33.6 million euros, 18 percent higher than in the previous year.

Europe Pacific	Central/Eastern Europe		Development Central Functions Consolidation		Total Group	
YTD 2002	YTD 2003	YTD 2002	YTD 2003	YTD 2002	YTD 2003	YTD 2002
16,965	12,683	18,283	-11	504	68,747	81,497
28,819	30,967	31,765	-20	25	143,641	150,691
8,872	24,032	35,741	-874	-1,268	90,066	121,343
59	120	107	-328	99	1,905	1,085
54,715	**67,802**	**85,895**	**-1,234**	**-640**	**304,359**	**354,616**
10,963	**2,561**	**9,220**	**-16,849**	**-33,617**	**36,163**	**25,587**

Europe Pacific	Central/Eastern Europe		Development Central Functions Consolidation		Total Group	
Q3 2002	Q3 2003	Q3 2002	Q3 2003	Q3 2002	Q3 2003	Q3 2002
5,197	4,437	5,020	-45	349	22,929	26,247
9,389	10,518	10,454	-15	-221	48,285	48,368
2,521	6,808	13,852	-145	-465	27,871	39,840
15	34	7	-23	129	404	351
17,122	**21,797**	**29,332**	**-228**	**-208**	**99,489**	**114,806**
3,576	**18**	**4,186**	**-1,915**	**-10,129**	**14,277**	**12,496**

The NEAPSA region (Northern Europe, Asia/Pacific and South Africa) was not affected to the same extent by the buoyant euro. Revenues rose in the third quarter from 17.1 million euros to 17.3 million euros, adjusted for currency effects, an increase of nearly 6 percent. A key positive for the region was that licensing revenues climbed from 5.2 million euros to 6.2 million euros. The increase in income was above average, and EBITA growth outstripped revenue growth, at 39 percent. Before currency effects, revenue for the first nine months matched 2002 levels.

There was a mixed picture for revenues in the Southern and Western Europe region. Maintenance figures remained largely unchanged, and licensing sales actually exceeded the 2002 figure, both for the first nine months and during the third quarter. In certain markets, however, project services did not escape the weak demand affecting other regions. Income was much harder hit than revenues, with EBITA falling below 2002 levels in both the first nine months and the third quarter.

In the Central and Eastern Europe region, the third quarter was shaped by economic uncertainties and sluggish IT demand on the German market. Despite stable revenues from maintenance contracts, there was a marked downturn in licensing and, in particular, project services revenues. Development from quarter-to-quarter, however, leaves us confident about the future. Software license sales continued to rise, especially in Germany. At 4.4 million euros, this segment significantly outperformed the previous quarter (3.8 million euros).

Outlook

Optimistic full-year earnings picture

The widely forecast economic recovery and upturn in IT demand did not materialize during the third quarter of 2003. We do not expect any significant change during the final three months of the year.

The stability of product-related revenues (maintenance services and licensing, adjusted for currency translation effects) over the first nine months is expected to continue into the fourth quarter. In the project services segment, the decline is set to slow. Total revenues will lie between 410 million euros and 415 million euros for the full year (475 million euros in 2002).

As a result of the rapid success of cost-cutting measures, we have raised full-year guidance. We are confident that operating income for fiscal 2003 will exceed the level previously forecast (32 million euros, as in 2002) by between 10 and 15 percent. Proactive cost management brought forward the positive impact of the program. Despite the exceptional restructuring we believe the Company will post positive net income for fiscal 2003.

Continued earnings growth in 2004

We are cautiously optimistic regarding fiscal 2004. With stable exchange rates, revenues will remain steady, and earnings will climb significantly. The new, streamlined cost base will be effective for the whole year, and this will lead to an improvement in profits of at least 10 million euros before tax. Moreover, Software AG plans to compile its financial statements according to different accounting standards, switching from the German Commercial Code (HGB) to International Financial Reporting Standards (IFRS, formerly

IAS). This will obviate the need to periodically amortize goodwill, further bolstering income by approximately 20 million euros.

Other disclosures

The authorization to buy back shares was not exercised during the reporting period, and the Company holds no treasury shares.

As of the balance-sheet date, there were three stock-option programs in place for Executive Board members, senior management and other employees, with a maximum 3,286,748 shares options. The Company is also authorized to establish a fourth program for employees, with 1,000,000 options.

On September 30, 2003, 336,971 stock options were held by Executive Board members, 405,348 by other senior management, and 881,481 by employees. There was no dilutive effect, as the strike price was higher than the average trading price of the share, or other conditions of exercise were not fulfilled. Dilution is calculated according to the treasury stock method. No options were exercised during the reporting period.

With the exception of the first-time application of German accounting standard 10 (DRS 10), this interim report was compiled according to the same accounting methods and standards used for the 2002 annual report and the interim report for the same period of 2002. Changes to equity are given in the table headed statement of changes in equity. Interim dividends were neither proposed nor distributed.

As reported in the interim report for the first half of 2003, we have established a joint venture with iGate Global Solutions Limited, an Indian software house. The new company, Software AG India (SAG India) was fully consolidated in group financial statements for the first time in August 2003. We hold a 51 percent stake in SAG India, with iGate Global Solutions Limited holding the remaining 49 percent. The change to the scope of consolidation had no significant impact on the comparison of earnings figures from period to period. There were no other changes to the structure of the Group.

Regional segment reporting has been adjusted to take account of the Group's new structure, as reported in the previous interim report (June 30, 2003). 2002 values have been adjusted accordingly.

This interim report was compiled in accordance with the provisions of German Accounting Standard 6 (DRS 6).

Other than the changes to the Executive Board and Supervisory Board already mentioned, there were no significant developments or events subsequent to the reporting period.

Software AG stock

Software AG outperforms TecDAX

Software AG's stock-market performance was very impressive during the first nine months of 2003. The share closed

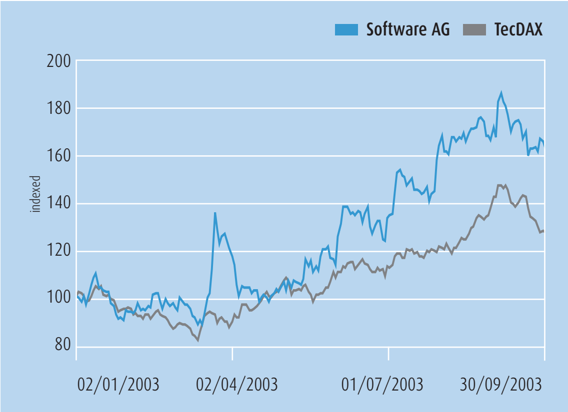
Software AG stock, key figures

	Sept. 30, 2002	Mar. 31, 2003	Sept. 30, 2003
Stock price (XETRA closing price in EUR)	8.69	11.55	15.57
Number of shares	27,266,752	27,266,752	27,266,752
Market capitalization (in million EUR)	237	315	425
52-week high/low (EUR)		17.85/8.38	
Frankfurt Stock Exchange (Prime Standard/TecDAX), international stock identification number DE 0003304002, ticker symbol SOW			

trading on September 30 at 15.57 euros, a 62 percent increase on the beginning of the year. Compared with the lowest (8.38 euros) and highest trading price during the period (17.85 euros), this demonstrates a clear, sustainable improvement since early 2003. We believe the key to this healthy development was convincing the markets that our traditional business with mainframe products remains sustainable and valuable. Our stock market credibility was particularly bolstered by our impressive cash flows, stemming from stable maintenance revenues. These have proven largely resistant to the ups and downs of the economy. At its current price, we believe Company stock still has upside potential, especially if we succeed in our mid-term goal—penetrating growth markets with our new XML-based solutions.

So far this year, Software AG has significantly outperformed the TecDAX, with Germany's benchmark tech-stocks index gaining 27 percent during the first three quarters of 2003.

Development of Software AG stock price
(against the TecDAX, for the period from January 1 to September 30, 2003)



Consolidated balance sheet

in thousand EUR	Sept. 30, 2003	Dec. 31, 2002
Assets		
Fixed assets		
Intangible assets	161,249	178,142
Tangible assets	34,518	37,000
Financial assets	6,950	5,937
	202,717	**221,079**
Current assets		
Inventories	4,323	4,628
Receivables and other assets	114,772	132,555
Cash and cash equivalents	74,807	75,423
	193,902	**212,606**
Prepaid expenses	**30,752**	**7,135**
	427,371	**440,820**

Equity and liabilities		
Stockholders' equity	223,824	214,468
Special tax-allowable reserves	7	6
Provisions	101,488	108,743
Liabilities	27,870	35,875
Deferred income	74,182	81,728
	427,371	**440,820**

Consolidated income statement

in thousand EUR	Sept.30, 2003	Sept.30, 2002	Q3 2003	Q3 2002
Revenues				
Licensing	68,747	81,497	22,929	26,247
Maintenance	143,641	150,691	48,285	48,368
Project services	90,066	121,343	27,871	39,840
Other	1,905	1,085	404	351
Total revenues	**304,359**	**354,616**	**99,489**	**114,806**
Increase/decrease in finished goods and work in progress	249	1,099	-1,380	-1,770
Other operating income*	11,253	44,271	4,494	4,036
Expenses				
Cost of materials and purchased services	-26,095	-31,236	-8,400	-9,365
Personnel expenses	-171,384	-198,273	-54,206	-62,021
Depreciation and amortization**	-22,395	-24,110	-7,188	-8,074
Other operating expenses***	-100,030	-115,405	-23,995	-30,585
Total operating expenses	**-319,904**	**-369,024**	**-93,789**	**-110,045**
Financial income, net	2,776	-898	817	830
Income before taxes	**-1,267**	**30,064**	**9,631**	**7,857**
Taxes	-2,218	-12,691	-5,738	-2,254
Income after taxes	**-3,485**	**17,373**	**3,893**	**5,603**
Minority interests	0	12	0	12
Consolidated net income	**-3,485**	**17,385**	**3,893**	**5,615**
Earnings per share (EUR, basic/diluted)	-0.13	0.64	0.14	0.21
Weighted average shares outstanding (basic/diluted)	27,266,752	27,265,874	27,266,752	27,266,752

* Of which earnings from investments as of September 30, 2002 31,640 thousand euros (Q1 9,340 thousand euros, Q2 22,300 thousand euros, Q3 0 thousand euros)

** Of which goodwill amortization as of September 30, 2003 16,389 thousand euros (5,463 thousand euros per quarter); as of September 30, 2002 16,377 thousand euros (5,459 thousand euros per quarter)

*** Of which restructuring costs as of September 30, 2003 23,817 thousand euros (Q1 23,817 thousand euros); as of September 30, 2002 13,140 thousand euros (Q1 11,340 thousand euros, Q2 1,800 thousand euros, Q3 0 thousand euros)

Statement of cash flows

in thousand EUR	Sept. 30, 2003	Sept. 30, 2002
Income / loss after taxes	-3,485	17,385
Depreciation/amortization/asset write-ups	22,395	27,360
Increase/release of long-term provisions	-387	255
Gain/loss from the disposal of fixed assets	379	-31,454
Increase/decrease in inventories, receivables and other current assets	7,528	54,791
Increase/decrease in payables and other liabilities	-19,549	-36,504
Net cash used in/provided by operating activities	**6,881**	**31,833**
Cash received from the sale of fixed assets	689	1,244
Investments in tangible assets	-3,883	-5,221
Cash received from the sale of intangible assets	10	38
Investments in intangible assets	-198	-1,113
Cash received from the sale of financial assets	21	34,107
Investments in financial assets	-1,033	-3,590
Investments in associated companies	0	-2,050
Net cash used in/provided by investing activities	**-4,394**	**23,415**
Contribution from capital increase	0	148
Dividends paid	0	-11,722
Cash proceeds from short-term borrowings	0	2,050
Repayment of loans and liabilities from acquisitions	-2,869	-30,192
Net cash used in/provided by financing activities	**-2,869**	**-39,716**
Change in cash funds from exchange rate movements, changes in group structure for cash funds*	-234	1.500
Net change in cash and cash equivalents	**-616**	**17,032**
Cash and cash equivalents at the beginning of the period	75,423	50,244
Cash and cash equivalents at the end of the period	**74,807**	**67,276**

* Of which payments from minority interest: +159 thousand EUR

Statement of changes in Group equity

in thousand EUR	2003	2002
Subscribed capital as of January 1	81,800	81,784
Options exercised	0	16
	81,800	**81,800**
Capital reserves as of January 1	132	0
Premium on capital increase due to options exercised	0	132
	132	**132**
Equity earned by the Group as of January 1	132,959	111,158
Dividends paid	0	-11,722
Consolidated net income/loss	-3,485	17,385
	129,474	**116,821**
Accumulated other gains and losses recognized directly in equity and relating to the shareholders of the parent company as of January 1	-423	3,265
Changes in Foreign Exchange Rates	-376	1,467
Deferred tax assets and liabilities from the first-time application of German Accounting Standard No. 10 (DRS 10)	13,058	0
	12,259	**4,732**
Minority interest as of January 1	0	0
Change	159	0
	159	**0**
Total Group equity as of September 30	**223,824**	**203,485**

Financial calendar

February 13, 2004	Press conference to announce 2003 earnings figures
April 1, 2004	Publication of 2003 annual report
April 29, 2004	Q1 earnings figures
May 7, 2004	Stockholders' annual meeting
July 29, 2004	Q2 earnings figures
October 28, 2004	Q3 earnings figures

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