Annual Report 2010

Geschäftsbericht 2010

IT Competence Group

Content

This report includes a German translation of the official English version. The English version is legally binding in all circumstances.

1. To our Shareholders

Dear Shareholders of IT Competence Group N.V.,

In spite of the positive general economic development in the fiscal year 2010, the business environment for IT Competence Group and its subsidiaries Human Internet CONSULT AG (HIC) and BEAM IT CONSULT GmbH (BEAM) was still challenging. And though we have seen considerable growth in the overall German IT market, the performance of the IT services market was rather sluggish and below-average, staying significantly below its 2009 level. As a result of these market conditions we have seen a significant decrease in revenues but managed successfully to retain profitability.

After this brief summary, let us now take a closer look at the relevant developments at IT Competence Group N.V. in the past fiscal year:

In line with the global economic recovery, the seasonally- and calendar-adjusted gross domestic product (GDP) in Germany was up 3.5% in 2010, compared to -4.7% in 2009. However, this positive general environment was only partly reflected in the development of the German IT market. According to BITKOM (Federal Association for Information Technology, Telecommunications and New Media) figures from March 2011, the overall German IT market was up 3.0% which is a very positive development compared to the forecast of 1.4% in March 2010. Yet, this growth is mainly attributable to IT hardware (+5.1%) and software (+3.5%) while the IT services market, most relevant for our Group, has seen growth of only 1.7% which compares to the earlier forecast of 2.2%. Thus, unlike the rest of the IT market, the IT services market did not benefit from the better than expected economic development throughout the year.

In this still challenging business environment we have seen Group revenues drop from EUR 11.1m to EUR 8.6m, which is mainly due to the development at HIC, where revenues were down from EUR 11.1m to EUR 8.5m. On the one hand, this is a result of HIC losing a big project in the health care sector. On the other hand, HIC has also cancelled some low-margin projects. Besides that, it is especially pleasing to say that towards the end of the year BEAM has generated its first orders again and the company is now well on its way to generate remarkable revenues in the future. On August 16, 2010, we have acquired a participation in Power Economizer GmbH, which is active in the field of e-energy. In the fiscal year 2010, this company made no significant contribution to the Groups revenues and earnings. In spite of the decreased revenues, we have managed to retain profitability even on a Group level and generated an operating result (EBIT) of EUR 0.4m compared to EUR 0.6m in 2009.

A noteworthy development in the fiscal year 2010 was the restart of BEAM under its new managing director Uwe Wermke who took over the management of the company in June 2010. As a result, BEAM has received its first orders already towards the end of the fiscal year. Therefore, we are confident that BEAM is now well on its way to generate significant revenues in the mid-term.

In February 2011, Markus Solibieda has been appointed as an additional member to the management board and the company’s new CEO. In this position he will be responsible especially for spurring the growth strategy of the company and we believe that this will lead to a great step forward for IT Competence Group N.V. in the near future.

For the fiscal year 2011, the industry organisation BITKOM sees accelerated growth for the German IT market. While the whole market is expected to grow by 4.3%, growth of the IT services market is expected to be somewhat below-average again, with a growth rate of 3.5%.

However, this forecast provides a sufficiently positive business environment for IT Competence Group N.V. and its operating subsidiaries to generate significant top- and bottom-line growth. Thus, for the fiscal year 2011, we expect revenues of IT Competence Group N.V. to surpass the EUR 10m mark and to result in respectively positive operating income.

Waalre, June 10, 2011

Board of Directors

Gunther Adelhelm ◆ Marc Schlindwein ◆ Markus Solibieda

2. IT Competence Group N.V. – Company Overview

Business Model

IT Competence Group N.V. acts as a holding company for growth-oriented IT service companies. It combines a maximum of entrepreneurial freedom for its subsidiaries with the advantages of a publicly listed group to support them in gaining a leading position in their respective markets. Currently, the Group's operational business is based in Germany.

In line with a buy and build strategy, the holding focuses on the acquisition, development and administration of the individual companies.

Strategy

The strategic objective of IT Competence Group N.V. is to offer its customers ideal solutions for their information technology requirements and to offer comprehensive support in the planning and implementation of the latest technologies.

In a complex and constantly changing market environment we possess the necessary technical and personnel know-how enabling us to offer our clients all required services from a single source.

Therefore, we trust especially in the advancement and cooperation of strong independent subsidiary companies under the umbrella of the Holding in order to realise extensive synergies for our customers. The services of IT Competence Group N.V. unburden our clients from worrying about IT problems and allow them to focus on optimising their core business.

Within the group we aim at a continuous advancement of each individual subsidiary company, fostered by continued cooperation with the existent management and a financial participation of the management in the company.

Through organic and external growth our subsidiaries aim to take up leading positions in their respective markets. Therefore, they concentrate on their core competences of delivering high-class IT service solutions. With a services portfolio that is focused on innovative technologies our unique offer is the development of a customer oriented IT, backed up by comprehensive IT know-how from a single source.

Management

Board of Directors

Markus Solibieda, Gunther Adelhelm and Marc Schlindwein, the Board of Directors of IT Competence Group, combine long-term experience in the IT business with comprehensive knowledge in the fields of M&A, venture capital and equity capital markets.

Markus Solibieda, CEO

Markus Solibieda joined the Management Board of IT Competence Group N.V. in February 2011. As the company's new CEO he is especially responsible for spurring its growth strategy. Following his international studies at European Business School he has been working in employed and self-employed positions in the European private equity and investment industry since 1995. Moreover, Mr Solibieda has gained many years of operating experience from his management positions in investee companies. As the CFO of a publicly listed IT company he prepared the company’s IPO and gained considerable experience in the handling of and the interaction with the capital markets.

Gunther Adelhelm

Following his studies in Business Administration with a focus on finance, sales and marketing, Gunther Adelhelm started his career at a market leader for industrial cleaning systems in the controlling of the company’s participations. For over 17 years, Gunther Adelhelm is now working in sales for IT and telecommunication systems and is responsible for great success stories such as the set up of a branch for a software provider or key account management at a market leader for network components catering to a global automotive supplier.

Marc Schlindwein

Marc Schlindwein is Head of Finance and M&A at IT Competence Group N.V. Before he joined the IT Competence Group he gained a lot of experience in finance, most recently as the CEO in his own corporate finance advisory firm. Prior to his work experience he studied Business Administration with a focus on finance and accounting at the University St. Gallen (HSG). After his studies Mr. Schlindwein has worked as an investment manager and issuance-/M&A consultant at a listed German VC company. In this role he was in charge of various portfolio companies during listings and M&A transactions. Later on, he turned to specialise in assessing the equity market capabilities of companies.

Supervisory Board

The Supervisory Board of IT Competence Group N.V. has three members:

Dr. Michael Hasenstab

Dr. Michael Hasenstab is a member of the Management Board of Navigator Equity Solutions SE. He is also one of the founding partners of the financial consulting company The ACON Group SE (formerly The Ascendo Group N.V.). Dr. Hasenstab was an investment banker at Credit Suisse First Boston and BNP Paribas in London. In that capacity he played an active role in a large number of IPOs and M&A transactions in Germany and throughout Europe. He holds a Master in Economics from the University of Munich and a PhD in International Management from the University of Jena.

Dr. Florian Pfingsten

Dr. Florian Pfingsten is a member of the Management Board of Navigator Equity Solutions SE. He is also one of the founding partners of the financial consulting company The ACON Group SE (formerly The Ascendo Group N.V.). Before joining Navigator Equity Solutions SE he worked as an Investment Manager at Bowman Capital UK Ltd and at Nomura International Plc in London. In that capacity he was responsible for the origination and execution of principal investments in the European markets. Dr. Pfingsten started his career at Deutsche Bank AG in Munich working as a corporate banker. He holds a Ph.D. in Finance and a Master in Business Administration from LMU in Munich. Dr. Pfingsten is an alumnus of the Haniel-Akademie, Duisburg, and has been awarded a Ph.D. scholarship by the Haniel-Foundation.

Robert Kaess

Robert Kaess is a member of the Management Board of Navigator Equity Solutions SE. He is also one of the founding partners of the financial consulting company The ACON Group SE (formerly The Ascendo Group N.V.). Prior to this he founded AdVal Capital Management AG, a Munich-based consulting company specialised in the field of finance. In his capacity as CEO of AdVal he invested in several technology companies and advised six companies on their way to IPO. He started his career as a management consultant with KPMG. Mr. Kaess holds a Master in Business Administration from LMU in Munich.

Subsidiaries

Human Internet CONSULT AG

Human Internet CONSULT AG (HIC) is a subsidiary of IT Competence Group N.V. since October 31, 2006. As of December 31, 2010, the company had 62 (2009: 63) employees.

Human Internet CONSULT AG is an IT consultancy with its registered office in Murr/Ludwigsburg. The company with offices in Berlin, Munich, Hamburg, Ludwigsburg and Frankfurt is active throughout Germany mainly in the areas of IT processes, IT organisation, IP convergence and IT security. The company aims to implement the trend towards integration of all conventional services (mobility, VoIP, security, etc.) in a single standardised IP-based communication platform independently and multivendor with an optimal cost benefit ratio for its customers.

HIC stands out because of excellent methodical and process know-how as well as strong technical skills in operating IT infrastructures. Thus, HIC focuses on maximum customer satisfaction through transparency of performance and costs of IT infrastructures and business processes.

HIC's main target industries are finance, health care, utilities, telecommunications and automotive as there will be significant transformations of IT structures in these industries in the coming years.

There, HIC will especially penetrate the fields of IT processes, IT governance, IT security and optimisation of IT infrastructures as well as building security.

In the fiscal year 2010, HIC generated external revenues of EUR 8.5m (2009: EUR 11.1m). The operating result (EBIT) amounted to EUR 0.5m (2009: EUR 0.7m).

BEAM IT Consult GmbH

BEAM IT CONSULT GmbH is a subsidiary of IT Competence Group N.V. since June 2007. As of December 31, 2010, the company had one employee (2009: 1).

BEAM is a young IT service company with its registered office in Ludwigsburg. It has been set up in June 2007 as a new corporate entity to assume the acquired assets and employees of former Beam AG and to continue its existing automotive business with a focus on electronics and telematics. After a strategic repositioning, the company's focus is now on business & process management consulting.

Since June 2010, Mr Uwe Wermke has become the new managing director of BEAM and towards the end of the year, the company started to generate its first orders again.

In the fiscal year 2010, BEAM IT CONSULT GmbH was re-launched after a strategic repositioning and generated small external revenues of EUR 0.1m (2009: EUR 0.0m) and a slightly negative operating result (EBIT) of EUR -0.1m (2009: EUR -0.0m).

Investments

Power Economizer GmbH

On August 16, 2010, the Group acquired a 68.89% interest in Power Economizer GmbH, a company active in the fields of e-energy and Home Automation. The participation was acquired by IT Competence Group N.V. (ITC), in which Navigator Equity Solutions SE holds a 81.32% participation.

Power Economizer GmbH is active in the smart grid (intelligent power networks) business where the company offers soft- and hardware solutions for the control and regulation of HVAC-technologies (heating, ventilation and air conditioning) and power consumption.

The participation was acquired from Nanoventure N.V. for a purchase price of EUR 1.00.

Unfortunately, the management expectations in the development of this specific market segment and the performance of the business were not reflected by reality.

As at December 31, 2010 the management decided, to sell the participation in the first half year of 2011.

Therefore the participation was classified as a held for sale asset which is valued at cost price.

3. The Stock

Since the 4th of December 2007, the shares of IT Competence Group N.V. are listed on the Open Market of the Frankfurt Stock Exchange. Additionally, the shares are traded on Xetra and the Stuttgart Stock Exchange. The majority of IT Competence Group N.V. shares are held by Navigator Equity Solutions SE.

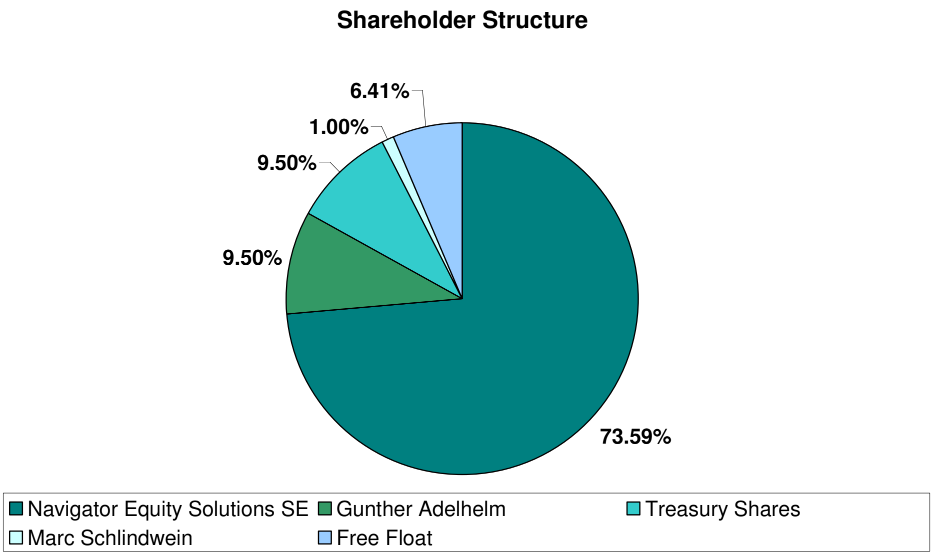
At the end of the fiscal year 2010, the share price amounted to EUR 0.016. This translates into a market capitalisation of EUR 1.5m. Compared to a market capitalisation of EUR 3.8m at the end of 2009, this results in a share price performance of -60.5%. The share price marked its high at EUR 0.099 on July 14 and experienced its low at EUR 0.003 on November 02.

Key Figures

Number of Shares:	93.75m
Share Price Year-end:	EUR 0.016
High Price:	EUR 0.099
Low Price:	EUR 0.003
Market Capitalisation:	EUR 1.50m
Reuters Symbol:	3IT
WKN:	A0M530
ISIN:	NL0006129074
Stock Exchanges:	Xetra, Frankfurt, Stuttgart
Segment:	Open Market

Shareholder Structure

In total, the number of shares issued by IT Competence Group N.V. amounts to 93,750,000. Throughout the fiscal year 2010, the number of shares issued remained unchanged. As of December 31, 2010, the majority of shares, equalling a 73.6% stake in shares issued, were held by Navigator Equity Solutions SE. Management held 10.5% of shares issued and another 9.5% were held by the company as treasury shares. The remaining 6.4% of the shares were classified as free float.



as of December 31, 2010

In the course of being appointed as the company's new CEO in 2011, Mr Markus Solibieda has also acquired a stake of 7.1% in the shares of IT Competence Group N.V. from the company, thus reducing the treasury shares to 2.4%.

4. Management Report

Business Environment

According to the January update of the International Monetary Fund's World Economic Outlook, the global economy has successfully mastered the recent recession and returned to remarkable growth of 5.0% (2009: -0.6%).

However, this development was mainly driven by the emerging and developing countries (+7.1%) and less dynamic in most advanced economies (+3.0%). Among the advanced economies, Germany has shown an above-average performance and has especially taken the lead in the euro area.

After the sharp decline of 4.7% in the year 2009, the German price adjusted gross domestic product was up 3.6% in the year 2010, which is double the average growth rate of the euro area. To this growth, private consumption contributed with 0.2 percentage points, public consumption with 0.5 percentage points, gross fixed capital formation with 1.1 percentage points, inventory accumulation with 0.6 percentage points and net exports with 1.3 percentage points.

Market Environment – IT Industry

According to information from the industry organisation BITKOM (German Association for Information Technology, Telecommunications and New Media) as of March 2011, total revenues of the German IT industry for the fiscal year 2010 were up from EUR 64.0bn to EUR 65.9bn. Thus, after a 6.5% decline in the fiscal year 2009, the volume of the IT market was up 3.0% in the year 2010. However, this is still significantly below the 2008 (EUR 68.5bn) and even the 2007 (EUR 66.9bn) level. The IT hardware market has emerged as the best performing part with a growth rate of 5.1%. The software market has also shown above-average growth of 3.5% and the IT services market has seen a rather sluggish and below-average growth of only 1.7%. A comparison to the forecasts as of March 2010 shows how the IT services business has become the stepchild of the market. In March 2010, BITKOM has projected a 0.2% growth for IT hardware, 0.9% for software and 2.2% for IT services. Thus, while the rest of the IT market has benefitted from a better than expected economic development, the IT services market still had to fight with some after-effects of the past recession.

At the same time, there is a high demand for IT professionals in the market, especially in the software and IT services business, so that the skills shortage is increasing again. According to BITKOM the percentage of companies being afflicted with skills shortage has risen to 59% in the first quarter 2011 which is close to the pre-recession level of 60% to 65%.

For the years 2011 and 2012, the industry now expects a stable, accelerated growth of 4.3% in 2011 and 4.4% in 2012. This development is still driven by IT hardware (+5.6% and +5.1%) and software (+4.5% and +4.9%) while the IT services market is expected to remain the worst performing part with growth rates of 3.5% and 3.8% respectively. The key growth driver in the software and IT services business will be the booming market of cloud computing with an average growth rate of more than 30% p.a. until 2015. Other key topics will be IT security, business intelligence, business process management, broadband or E-energy.

In total, the market environment for IT Competence Group N.V. and its subsidiaries in the IT services market in the fiscal year 2010 was less positive than initially expected but provided at least a stable business environment in comparison to the fiscal year 2009.

Business Situation of IT Competence Group N.V.

In the fiscal year 2010 IT Competence Group N.V. had two operating subsidiaries: Human Internet CONSULT AG (HIC) and BEAM IT CONSULT GmbH (BEAM).

In 2010, HIC has suffered from the loss of a big project in the health care sector. In addition to that HIC has also cancelled some low margin projects in the course of strengthening its focus on profitability. In response to changing market requirements, HIC has also reorganised its sales force as well as its permanent staff.

HIC's main target industries are finance, health care, utilities, telecommunications and automotive as these industries are expected to undergo significant transformations of their IT structures in the coming years. With respect to these industries HIC is offering Technical Consulting and Engineering Services as well as Consulting Services. While HIC is especially concentrating on ITC infrastructure, IT security, IT processes, IT governance and IT compliance, the company is now also aiming at the field of building security.

Against the background of a fairly poor business development in the automotive industry, BEAM IT CONSULT GmbH has undergone a thorough strategic review in the fiscal year 2009. As a result, the company has been repositioned with a focus on business & process management consulting.

Since June 2010, Mr Uwe Wermke has become the new managing director of BEAM and towards the end of the year, the company started to generate its first orders again.

Development of Earnings-, Asset- and Financial Situation

Earnings Situation

Development of Revenues

In the fiscal year 2010, IT Competence Group N.V. and its subsidiaries generated total revenues of EUR 8.6m (2009: EUR 11.1m). This represents a decrease of 22.6% against the previous year. The revenues are almost completely attributable to Human Internet CONSULT AG as BEAM IT CONSULT GmbH has started to generate its first new orders after the strategic repositioning only towards the end of the year.

In the fiscal year 2010, both incoming orders and revenues were down against the previous year which is mainly due to HIC losing a big project in the health care sector.

Human Internet CONSULT AG

The business activities of HIC comprise the business lines of IT Services and Consulting.

IT-Services

The business line of IT Services is comprised of Technical Consulting & Engineering (TC&E) as well as Managed Services.

Technical Consulting & Engineering (formerly OnSiteServices)

In the fiscal year 2010, TC&E was still the best performing business field of HIC, generating approximately 68% of total revenues.

Managed Services

The revenue share of Managed Services for the fiscal year 2010 amounted to approximately 6%, based on the 3-year-contract secured in the fiscal year 2009.

Consulting

The business line of Consulting accounted for approximately 26% of total revenues for the last fiscal year. In 2010, Consulting activities were focused on ITC infrastructure as well as IT security and processes.

BEAM IT CONSULT GmbH

Due to the crisis in the automotive industry, BEAM IT CONSULT GmbH has been subject to a complete strategic review in the fiscal year 2009 and has been repositioned with a focus on business & process management consulting in the course of the fiscal year 2010. Therefore, the company generated only small external revenues of EUR 0.1m (2009: EUR 0.0m)

Earnings Development

In the fiscal year 2010, cost of sales for the Group of IT Competence Group N.V. amounted to EUR 3.2m (2009: EUR 4.8m). This leads to a gross profit for the Group of EUR 5.4m (2009: EUR 6.3m). The gross profit margin increased from 57.1% to 63.3% indicating improved quality of earnings. After deduction of other operating costs amounting to EUR 5.0m (2009: EUR 5.7m) the operating result (EBIT) amounted to EUR 0.4m (2009: EUR 0.6m). Thus, the operating margin decreased from 5.8% to 4.9%. This is mainly due to the negative contribution from BEAM after the company's re-launch. The predominant part of this result is attributable to HIC, contributing with EUR 0.5m (2009: EUR 0.7m) to the operating result. The contributions of BEAM IT CONSULT GmbH and the IT Competence Group N.V. Holding to the operating result amounted to EUR -0.1m (2009: EUR 0.0m) and EUR 0.0m (2009: EUR 0.0m) respectively.

The financial result amounted to EUR -0.2m (2009: EUR -0.3m). This leads to a pre-tax result of EUR 0.2m (2009: EUR 0.3m). Net income for the year after deduction of income tax amounting to EUR -0.3m (2009: EUR 0.2m) was EUR -0.0m (2009: EUR 0.1m).

Against the background of this earnings development, the net income margin was down from 1.0% to negative in the fiscal year 2010.

The return on shareholders' equity for that period was reduced from 4.8% to negative.

Asset Situation

As of December 31, 2010, total assets of IT Competence Group N.V. amounted to EUR 7.0m (2009: EUR 7.3m). While fixed assets, mainly consisting of goodwill amounting to EUR 4.8m, were stable at EUR 4.9m (2009: EUR 4.9m), current assets decreased to EUR 2.1m (2009: EUR 2.4m). This is mainly due to the cash position being down from EUR 1.2m to EUR 0.9m. Trade and other receivables were stable at EUR 1.0m (2009: EUR 1.0m).

The company's current liabilities amounted to EUR 2.5m (2009: EUR 2.7m) whereof EUR 0.8m (2009: EUR 0.8m) were attributable to trade payables and EUR 1.5m (2009: EUR 1.8m) to other liabilities. The company's long-term liabilities remained stable at EUR 2.2m (2009: EUR 2.2m). As of December 31, 2010, the shareholders' equity of IT Competence Group N.V., including a deduction of EUR 0.2m for the company's treasury shares, amounted to EUR 2.3m (2009: EUR 2.4m). The equity ratio was up from 32.7% to 33.2%.

Long-term capital (equity + long-term debt) accounted for 64.8% (2009: 63.1%) of the balance sheet total.

The equity-to-fixed-assets-ratio decreased from 48.4% to 47.6%.
The long-term-capital-to-fixed-assets-ratio fell slightly from 93.4% to 92.8%.
Thus, fixed assets of IT Competence Group N.V. are covered completely and sufficiently by long-term capital.

Investments

The investments of IT Competence Group N.V. in the fiscal year 2010 were mainly attributable to HIC. In the fiscal year 2010, the company conducted mainly replacement investments for hardware, software and office equipment. For reasons of liquidity protection, company cars are generally leased.

Financial Situation

Cash flow from operating activities for the fiscal year 2010 amounted to EUR 0.2m (2009: EUR 0.4m).

Cash flow from investing activities amounted to EUR –0.5m (2009: EUR –0.5m) and is mainly attributable to the last purchase price instalment for Human Internet CONSULT as well as to investments in property, plant and equipment.

Cash flow from financing activities for the fiscal year 2010 amounted to EUR 0.0m (2009: EUR 0.0m).

In total, the company's cash flow for the fiscal year 2010 amounted to EUR -0.3m (2009: EUR -0.0m), resulting in a cash position at the end of the year of EUR 0.9m.

The cash ratio for the fiscal year 2010 amounts to 37.8% (2009: 46.2%). This represents another significant improvement and thus a still suitable liquidity endowment of the company.

The quick ratio amounts to 82.1% (2009: 86.0%) representing a slight improvement but still indicating shortfall from the desirable value of 100%.

The current ratio amounts to 85.6% (2009: 87.9%), also indicating a shortfall from the target value (150%) for the Group.

The Board of Directors of the company is of the opinion that the financial situation is sufficient to cover the working capital requirements and investments.

Employees

As of December 31, 2010, IT Competence Group N.V. had 63 permanent employees (2009: 64). Thereof 62 people (2009: 63) were employed at Human Internet CONSULT AG and one person (2009: 1) was employed at BEAM IT CONSULT GmbH.

For the fiscal year 2011, the management expects a significant increase in the number of employees as HIC plans to expand its staff by approximately 10 to 15 percent.

Risk Report

In the coming fiscal year the economic risks at IT Competence Group N.V. will depend mainly on the further business development of HIC and the operating development of BEAM.

The business development of HIC AG will depend strongly on the consequential expansion of its Consulting business and the further development of the IT Services business. Key success factors for HIC AG will be a low employee turnover, successful recruitment of new consultants and engineers as well as an adequate placement of the product mix.

Cyclical Risks

Customers' demand in the IT market is always dependent on the customers' own business and financial situation and hence also on the general economic development. Currently, the global and German economy is recovering successfully from a deep recession and is expected to generate good growth also for the foreseeable future. This is also reflected in a positive forecast for the development of the IT services market in the coming years. However, there is no guarantee that the current growth is sustainable and there are still a number of significant risks for the future economic development, especially in Europe and Germany. Thus, if the general economic environment should start to deteriorate, this will also have negative effects on the development of the IT services market as well as on the financial and asset situation of the Group.

Competition

The IT services market is highly fragmented and characterised by intense competition. Competition for the Group companies arises from a small number of bigger players in the market as well as from a large number of small competitors. Such competition is even boosted by former employees of Group companies going into business for themselves. As in every other market, strong competition is always putting pressure on pricing and margins in the market, thus also affecting the Group's profitability. If the Group companies are not able to prevail in this highly competitive environment there may be adverse effects on the Group's financial and asset situation.

Personnel Risks

As BITKOM reported in February 2011, the skills shortage in the IT market is increasing again and there are currently 59% of all companies afflicted with this problem and hampered in their growth. Thus, it is possible that the operating subsidiaries of IT Competence Group N.V. will not be able to recruit the necessary and sufficiently qualified staff required for their planned growth strategies.

The IT business is rapidly changing and evolving new technologies. Thus it is necessary that the technical staff of the Group companies always stays on top of these developments and continuously expands its skills to remain state-of-the art. If the Group companies do not provide for this risk by organising sufficient education and training programs they might lose their competitive capacity, resulting in respectively advers effects on the Group's financial and asset situation.

Currently, the Group's management has no reason to believe that any of the above mentioned risks represents an acute threat to the Group's continuation.

Supplementary Report

On February 02, 2011, IT Competence Group N.V. announced the appointment of Mr Markus Solibieda as an additional member of company's management board and its new CEO. Mr Solibieda is strengthening the company's management team as its speaker and will be responsible for spurring its growth strategy.

On, May 28, 2011 – IT Competence Group N.V. announced the acquisitions of the IT-services provider net on AG.
Net on AG is a leading provider of network management solutions including design, implementation and operation of IT infrastructures for large and medium-sized companies. The company was founded in 1997 and caters with 45 employees at five office locations to a broad range of customers such as Bitburger Brauerei or LBS Rheinland-Pfalz.

Forecast Report

Based on the January update to its World Economic Outlook, the IMF expects the recovery of the global economy to continue at slightly reduced pace. The IMF projection for the year 2011 sees global growth of 4.4%, compared to 5.0% in 2010, with a growth rate of 6.5% for the emerging and developing countries and 2.5% for the advanced economies. Among the advanced economies, especially in the euro area, Germany will still be one of the leading countries with an expected growth rate of 2.2%.

The ongoing positive economic environment in Germany is also reflected in the forecasts for the IT market. Here the industry organisation BITKOM sees the market development continue at an even accelerated pace. For the whole market, BITKOM forecasts a growth of 4.3% or EUR 2.9bn to a total volume of EUR 68.8bn. Main growth driver is IT hardware with an expected growth rate of 5.6%, followed by software with 4.5% and IT services 3.5%. The market volume for IT services will grow from EUR 33.0bn to EUR 34.2bn.

This forecast provides a sufficiently positive business environment for IT Competence Group N.V. and its operating subsidiaries to generate significant top- and bottom-line improvement. Thus, for the fiscal 2011, we expect revenues of IT Competence Group N.V. to surpass the EUR 10m mark and to result in respectively positive operating income.

Supervisory Board Report

The Supervisory Board of IT Competence Group N.V. comprises three members.

In the course of the fiscal year 2010, four plenary meetings of the Supervisory Board took place in accordance with the Articles of Association of IT Competence Group N.V.

The Supervisory Board was in frequent written and verbal contact with the Board of Directors, regarding the financial situation and the business development of the company. At the meetings, the Supervisory Board was informed and consulted about the activities and policies of IT Competence Group N.V.

The Supervisory Board did not build any committees. All tasks were performed by the Supervisory Board as a whole.

All members of the Supervisory Board were attending the board meetings either personally or via telephone.

Matters considered by the Supervisory Board during the year included:

- Budget
- Business strategy
- Development of revenues and earnings situation
- Business situation at Human Internet CONSULT AG, BEAM IT CONSULT GmbH and Power Economizer GmbH
- Negotiations regarding director's contract Markus Solibieda
- Potential further acquisitions

The consolidated financial statements of IT Competence Group N.V. were drawn up according to the International Financial Reporting Standards (IFRS) as adopted by the EU. The financial data has been audited by the independent auditors KPMG Accountants N.V.

We have approved the financial statements of IT Competence Group N.V. prepared by the Board of Directors and we also agree with the description of the company's situation set out in the Management Board Report. We recommend to shareholders that they adopt 2010 financial statements

The composition of the subscribed capital as well as the provisions concerning the appointment and removal of members of the executive board, or amendments to the Articles of Association are in compliance with the statutory requirements and are self explanatory.

The Supervisory Board would like to thank the Board of Directors for its commitment, hard work and for the consistently trustworthy and fruitful dialogue.

Waalre, the Netherlands

June 10, 2010

Inhalt

Dieser Bericht enthält eine deutsche Übersetzung der englischen Originalfassung. Rechtlich bindend ist unter allen Umständen alleine die englische Originalfassung.

1. An unsere Aktionäre

Sehr geehrte Aktionäre der IT Competence Group N.V.,

trotz des positiven wirtschaftlichen Gesamtumfelds im Geschäftsjahr 2010, bewegte sich die IT Competence Group N.V. mit ihren Tochtergesellschaften Human Internet CONSULT AG (HIC) und BEAM IT CONSULT GmbH (BEAM) weiterhin in einem anspruchsvollen Marktumfeld. Und obwohl der gesamte deutsche IT-Markt ein beachtliches Wachstum erzielen konnte, verlief die Entwicklung im Bereich der IT Services vergleichsweise schleppend und unterdurchschnittlich, so dass der Markt weiterhin deutlich hinter dem Niveau des Jahres 2009 zurückblieb. Als Folge dieses Marktumfelds mussten wir zwar einen deutlichen Umsatzrückgang hinnehmen, konnten aber die Rentabilität der Gesellschaft erfolgreich aufrechterhalten.

Nach diesem kurzen Überblick möchten wir nun die wesentlichen Entwicklungen bei der IT Competence Group N.V. im Geschäftsjahr 2010 etwas genauer betrachten:

Im Einklang mit der Erholung der Weltwirtschaft verbesserte sich saison- und kalenderbereinigte Bruttoinlandsprodukt (BIP) in Deutschland im Jahr 2010 um 3,5%. Im Jahr 2009 war noch ein Rückgang um 4,7% verzeichnet worden. Allerdings spiegelte sich dieses positive wirtschaftliche Gesamtumfeld in der Entwicklung des IT-Marktes nur teilweise wider. Nach Informationen des Branchenverbandes BITKOM (Bundesverband Informationswirtschaft, Telekommunikation und neue Medien e.V.) vom März 2011, verzeichnete der IT-Markt in Deutschland ein Wachstum von 3,0%. Verglichen mit der Wachstumsprognose von 1,4% aus dem März 2010 ist das eine sehr positive Entwicklung. Dieses Wachstum wurde jedoch hauptsächlich getragen von den Bereichen IT Hardware (+5,1%) und Software (+3,5%) während der für unsere Gruppe wichtige IT Services Bereich nur eine Wachstum von 1,7% erzielte. Dem gegenüber steht eine ursprüngliche Wachstumsprognose von 2,2%. Somit konnte der Bereich der IT Services, im Gegensatz zum Rest des IT-Marktes, über das Jahr hinweg nicht von der sich besser als erwartet entwickelnden Konjunktur profitieren.

In diesem anhaltend anspruchsvollen Marktumfeld verringerte sich unser Konzernumsatz von EUR 11,1 Mio. auf EUR 8,6 Mio. Dies ist hauptsächlich auf die HIC zurückzuführen, deren Umsatz von EUR 11,1 Mio. auf EUR 8,5 Mio. zurückging. Einerseits ist das darauf zurückzuführen, dass bei der HIC ein Großprojekt im Gesundheitswesen ausgefallen ist. Andererseits hat die HIC auch einige niedrig-margige Projekte auslaufen lassen. Besonders erfreulich ist daneben aber, dass die BEAM gegen Ende des Jahres wieder erste Aufträge gewinnen konnte und sich somit auf einem guten Weg befindet, in Zukunft wieder nennenswerte Umsätze zu generieren. Am 16. August 2010 haben wir für einen symbolischen Kaufpreis eine Beteiligung an der PowerEconomizer GmbH erworben, die im Bereich E-Energy tätig ist. Im Geschäftsjahr 2010 konnte diese Gesellschaft noch keinen wesentlichen Beitrag zu Umsatz und Ergebnis der Gruppe leisten. Trotz des Umsatzrückgangs konnten wir auch auf Konzernebene die Rentabilität der Gruppe bewahren und erwirtschafteten hier ein EBIT in Höhe von EUR 0.4 Mio. gegenüber EUR 0,6 Mio. im Jahr 2009.

Ein wesentliches Ereignis im Geschäftsjahr 2010 war der Neustart der BEAM unter ihrem neuen Geschäftsführer Uwe Wermke, der die Leitung der Gesellschaft im Juni 2010 übernommen hat. In der Folge konnte die BEAM gegen Ende des Geschäftsjahres bereits ihre ersten Aufträge gewinnen. Auf dieser Basis sind wir zuversichtlich, dass sich die BEAM auf einem guten Weg befindet, mittelfristig wieder nennenswerte Umsätze zu generieren.

Im Februar 2011 wurde Herr Markus Solibieda als weiteres Mitglied und neuer Sprecher in den Vorstand der IT Competence Group N.V. berufen In dieser Funktion wird er insbesondere für die weitere Wachstumsstrategie unseres Unternehmens verantwortlich sein. Wir sind davon überzeugt, dass die IT Competence Group N.V. dadurch in naher Zukunft einen deutlichen Schritt nach vorne machen wird.

Für das Geschäftsjahr 2011 rechnet der Branchenverband BITKOM mit einem beschleunigten Wachstum des deutschen IT-Marktes. Während für den Gesamtmarkt ein Wachstum von 4,3% erwartet wird, soll sich der Bereich der IT Services mit einem Wachstum von 3,5% weiterhin klar unterdurchschnittlich entwickeln.

Aus dieser Prognose ergibt sich jedoch ein ausreichend positives Geschäftsumfeld für die IT Competence Group N.V. und ihre operativen Tochtergesellschaften, um ein deutliches Umsatz- und Ergebniswachstum zu generieren. Daher erwarten wir für das Geschäftsjahr 2011, dass der Konzernumsatz der IT Competence Group N.V. über der Marke von EUR 10,0 Mio. liegen und sich auch in einem entsprechend positiven operativen Ergebnis niederschlagen wird.

Waalre, 10. Juni 2011

Der Vorstand

Gunther Adelhelm ◆ Marc Schlindwein ◆ Markus Solibieda

2. IT Competence Group N.V. – das Unternehmen

Geschäftsmodell

Die IT Competence Group N.V. (ITC) fungiert als Holding Gesellschaft für wachstumsstarke IT-Dienstleistungsunternehmen. Sie fördert dabei die unternehmerische Eigenständigkeit ihrer Beteiligungen und bietet gleichzeitig die Vorteile eines börsennotierten Konzerns, um sie beim Aufbau von führenden Positionen im Wettbewerb ihrer jeweiligen Märkte unterstützen. Das operative Geschäft der Gruppe ist derzeit in Deutschland beheimatet.

Im Rahmen einer Buy & Build-Strategie konzentriert sich die Holding dabei auf den Ankauf, den Ausbau und die Verwaltung der einzelnen Gesellschaften.

Strategie

Ziel der IT Competence Group N.V. ist es, ihren Kunden ideale Problemlösungen zu allen Fragen rund um die Informationstechnologie zu bieten und sie bei der Planung und Umsetzung der neuesten Technologien umfassend zu unterstützen.

In einem komplexen und sich ständig verändernden Marktumfeld stellen wir das notwendige technische und personelle Know-how zur Verfügung, um unseren Kunden alle benötigten Leistungen aus einer Hand anbieten zu können.

Dabei setzen wir insbesondere auf die Förderung und das Zusammenspiel starker und eigenständiger Tochtergesellschaften unter dem Dach der Holding und erzielen so weitreichende Synergien zum Nutzen unserer Kunden. Durch die Leistungen der IT Competence Group N.V. werden die Kunden von der Beschäftigung mit IT-Problemen weitestgehend entlastet und können somit die gesamte Konzentration auf die Optimierung ihres Kerngeschäftes richten.

Innerhalb der Gruppe streben wir eine kontinuierliche Weiterentwicklung der einzelnen Tochtergesellschaften an, wozu in der Regel insbesondere die fortgesetzte Zusammenarbeit mit dem bestehenden Management sowie die finanzielle Beteiligung des Managements am Unternehmen gehören.

Durch organisches und externes Wachstum sollen unsere Tochtergesellschaften Führungspositionen in ihren jeweiligen Märkten aufbauen. Mit einem auf innovative Technologien ausgerichteten Leistungsportfolio, können wir so die Entwicklung einer kundenorientierten IT anbieten, die auf ein breit angelegtes IT-Know-how aus einer Hand zurückgreift.

Management

Vorstand

Mit Markus Solibieda, Gunther Adelhelm und Marc Schlindwein vereint der Vorstand der IT Competence Group langjährige Berufserfahrung in der IT-Branche mit umfangreichen Erfahrungen im Bereich M&A, Beteiligungsgeschäft und Kapitalmarktumfeld.

Markus Solibieda, Vorstandssprecher

Markus Solibieda ist seit Februar 2011 Mitglied des Vorstands der IT Competence Group N.V. und verantwortet dort als CEO die Wachstumsstrategie der Gesellschaft. Nach einem internationalen Studium an der European Business School war Markus Solibieda seit 1995 sowohl in angestellter wie in selbständiger Funktion im europaweiten Unternehmensbeteiligungsgeschäft tätig. Herr Solibieda verfügt zudem über langjährige operative Erfahrung aus der Übernahme von Managementfunktionen bei Beteiligungsunternehmen. Als Finanzvorstand eines börsennotierten Unternehmens der IT-Branche, dessen IPO er selbst vorbereitete, sammelte Herr Solibieda außerdem umfangreiche Kapitalmarkterfahrung.

Gunther Adelhelm

Nach einem betriebswirtschaftlichen Studium mit den Schwerpunkten Finanzen und Vertrieb/Marketing begann Gunther Adelhelm seine berufliche Laufbahn im Beteiligungscontrolling eines Marktführers für industrielle Reinigungssysteme. Seit fast 20 Jahren ist er im Vertrieb der IT- und Telekommunikationsbranche tätig und kann dabei auf diverse erfolgreiche Stationen, wie beispielsweise den Aufbau einer Geschäftsstelle eines Softwareanbieters sowie globales Key Account Management eines Netzwerkkomponenten-Marktführers für einen weltweit tätigen Automobilzulieferer zurückblicken.

Marc Schlindwein

Marc Schlindwein verantwortet bei der IT Competence Group N.V. den Bereich Finanzen und M&A. Er verfügt über langjährige Erfahrung im Finanzbereich - zuletzt als Geschäftsführer einer von ihm gegründeten Corporate Finance Beratungsgesellschaft. Auf das betriebswirtschaftliche Studium mit Schwerpunkt Finanz- und Rechnungswesen an der Universität St. Gallen (HSG) folgte eine Tätigkeit als Investment Manager und Emissions-/M&A-Berater bei einer börsennotierten deutschen VC-Gesellschaft. In dieser Funktion betreute und begleitete er verschiedene Portfoliounternehmen bei Börsengängen und M&A-Transaktionen. Vor diesem Hintergrund spezialisierte er sich später auf die Beurteilung der Kapitalmarktfähigkeit von Unternehmen.

Aufsichtsrat

Der Aufsichtsrat der IT Competence Group N.V. besteht aus drei Personen:

Dr. Michael Hasenstab

Dr. Michael Hasenstab ist seit November 2008 Mitglied des Vorstands der Navigator Equity Solutions SE und einer der Gründungspartner der Beratungsgesellschaft The ACON Group SE. Davor war er im Investment Banking bei Credit Suisse First Boston und BNP Paribas in London tätig, wo er für eine Vielzahl von IPOs und M&A-Transaktionen in Deutschland und Europa verantwortlich zeichnete. Dr. Hasenstab studierte Volkswirtschaft an der LMU in München und promovierte im Bereich Internationales Management an der Universität Jena.

Dr. Florian Pfingsten

Dr. Florian Pfingsten ist seit April 2006 Mitglied des Vorstandes der Navigator Equity Solutions SE. Er ist außerdem Gründungspartner der Beratungsgesellschaft The ACON Group SE. Herr Dr. Pfingsten war früher als Investment Manager bei Bowman Capital UK Ltd. und Nomura International Plc in London tätig, wo er für die Identifikation und Durchführung von Venture Capital Investments in Deutschland und Europa verantwortlich zeichnete. Dr. Pfingsten begann seine Karriere bei der Deutschen Bank AG in München. Er studierte Betriebswirtschaft an der Ludwig-Maximilians-Universität in München und promovierte im Bereich Shareholder Value mit einem Promotionsstipendium der Haniel-Stiftung, ebenfalls in München.

Robert Käß

Robert Käß ist seit November 2008 Mitglied des Vorstands der Navigator Equity Solutions SE und einer der Gründungspartner der Beratungsgesellschaft The ACON Group SE. Zuvor gründete er 1998 die AdVal Capital Management AG, eine auf den Bereich Finanzen spezialisierte Beratungsgesellschaft in München. Er investierte in eine Vielzahl von Unternehmen und begleitete sechs Börsengänge. Robert Käß ist Aufsichtsratsmitglied mehrerer Gesellschaften und begann seine Karriere nach dem Studium der Betriebswirtschaftslehre an der LMU München als Unternehmensberater bei KPMG.

Tochtergesellschaften

Human Internet CONSULT AG

Die Human Internet CONSULT Aktiengesellschaft (HIC) befindet sich seit 31. Oktober 2006 im Portfolio der IT Competence Group N.V. Zum 31. Dezember 2010 beschäftigte die Gesellschaft 62 Mitarbeiter (2009: 63).

Die Human Internet CONSULT Aktiengesellschaft ist ein IT Beratungsunternehmen mit Sitz in Murr/Ludwigsburg. Die Gesellschaft mit Geschäftsstellen in Berlin, München, Hamburg, Ludwigsburg und Frankfurt ist schwerpunktmäßig in den Bereichen Prozesse, Organisation, IP Konvergenz und IT Security deutschlandweit tätig. Ziel ist es, den Trend zur Integration aller herkömmlichen Dienste auf einer einheitlichen IP-basierten Kommunikationsplattform (Mobility, VoIP, Security, etc.) branchenunabhängig und herstellerneutral mit einem optimalen Kosten-Nutzenverhältnis für die Kunden umzusetzen.

HIC zeichnet sich durch ein exzellentes Methoden- und Prozess-Know-how, sowie durch ein hohes technisches Know-how im Betrieb von IT-Infrastrukturen aus. Daher fokussiert sich die HIC auf größtmöglichen Kundennutzen durch Kosten- und Leistungstransparenz der IT-Infrastruktur und ihrer Geschäftsprozesse.

Die HIC adressiert insbesondere die Branchen Finanzen, Gesundheit, Energieversorger, Telekommunikation, Automobil und die Industrie, da hier in den nächsten Jahren starke Veränderungen in der IT zu erwarten sind.

Dabei wird sich die HIC verstärkt auf die Bereiche IT Prozesse, IT Governance, IT Security und IT Infrastrukturoptimierung sowie Gebäudesicherheit fokussieren.

Im Geschäftsjahr 2010 erwirtschaftete die HIC externe Umsatzerlöse in Höhe von EUR 8,5 Mio. (2009: EUR 11,1 Mio.). Das operative Ergebnis (EBIT) belief sich auf EUR 0.5 Mio. (2009: EUR 0,7 Mio.).

BEAM IT CONSULT GmbH

Die BEAM IT CONSULT GmbH befindet sich seit Juni 2007 im Portfolio der IT Competence Group N.V. Zum 31. Dezember 2010 beschäftigte die Gesellschaft einen Mitarbeiter (2009: 1).

Die BEAM IT CONSULT GmbH ist ein junges IT Dienstleistungsunternehmen mit Sitz in Ludwigsburg. Sie wurde im Juni 2007 als neue Gesellschaft ins Leben gerufen um die von der ehemaligen Beam AG erworbenen Vermögensgegenstände und Mitarbeiter aufzunehmen und das aussichtsreiche Geschäft im Automobilbereich, mit dem besonderen Schwerpunkt auf Elektronik und Telematik, fortzuführen. Im Zuge einer strategischen Neuausrichtung hat sich die Gesellschaft nun auf Aktivitäten im Bereich des Business & Process Management Consulting spezialisiert.

Im Geschäftsjahr 2010 vollzog die BEAM IT CONSULT GmbH ihren Neustart nach einer strategischen Umorientierung und erwirtschaftete bei einem sehr geringen Außenumsatz in Höhe von EUR 0,1 Mio. (2009: EUR 0,0 Mio.) und ein operatives Ergebnis in Höhe von EUR -0,1 Mio. (2009: EUR -0,0 Mio.).

Beteiligungen

Power Economizer GmbH

Am 16. August 2010 erwarb die Gruppe eine Beteiligung in Höhe von 68,89% an der Power Economizer GmbH (PECO), die im Bereich E-Energy und Home Automation tätig ist. Die Beteiligung wurde von der IT Competence Group N.V. (ITC) getätigt, an der wiederum die Navigator Equity Solutions SE mit 81,32% beteiligt ist.

Die Power Economizer GmbH ist im Markt für Smart Grid (intelligente Stromnetze) aktiv und bietet Soft- und Hardwarelösungen zur Steuerung von Heizung/Klima und Strom an.

Die Beteiligung an der PECO wurde zu einem Kaufpreis von EUR 1,00 von der Nanoventure N.V. erworben.

Leider erfüllten sich die Erwartungen des Managementteams bezüglich des Marktes in dem die PECO tätig ist nicht und es wurde am 31. Dezember 2010 entschieden die Beteiligung in der ersten Hälfte des Jahres 2011 wieder zu veräußern.

Aus diesem Grund wurde die Beteiligung als zum Verkauf stehend klassifiziert und somit mit dem Anschaffungspreis bewertet.

3. Die Aktie

Die Aktien der IT Competence Group N.V. sind seit dem 04. Dezember 2007 im Open Market der Frankfurter Wertpapierbörse gelistet. Die Aktien werden außerdem auf Xetra und an der Stuttgarter Wertpapierbörse gehandelt. Der Großteil der Aktien der IT Competence Group N.V. wird von der Navigator Equity Solutions SE gehalten.

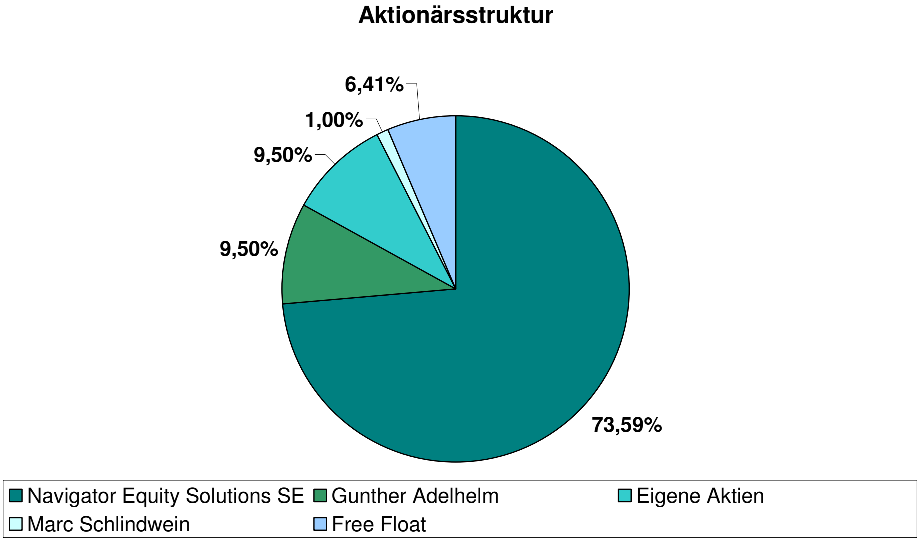
Zum Ende des Geschäftsjahres 2010 erreichte die Aktie einen Schlusskurs von EUR 0,016. Daraus ergibt sich eine Marktkapitalisierung von EUR 1,5 Mio. Verglichen mit einer Marktkapitalisierung von EUR 3,8 Mio. per Ende 2009 ergibt sich somit eine Performance von -60,5%. Der Jahreshöchstkurs wurde am 14. Juli bei EUR 0,099 erreicht und der Jahrestiefstkurs lag am 02. November bei EUR 0,003.

Kennzahlen

Aktienanzahl:	93,75 Mio.
Jahresschlusskurs:	EUR 0,016
Höchstkurs:	EUR 0,099
Tiefstkurs:	EUR 0,003
Marktkapitalisierung:	EUR 1,50 Mio.
Reuterskürzel:	3IT
WKN:	A0M530
ISIN:	NL0006129074
Börsenplätze:	Xetra, Frankfurt, Stuttgart
Segment:	Open Market

Aktionärsstruktur

Insgesamt beläuft sich die Zahl der ausgegebenen Aktien der IT Competence Group N.V. auf 93.750.000. Die Zahl der ausgegebenen Aktien blieb im Verlauf des Geschäftsjahres 2010 blieb unverändert. Mit einem Anteil von 73,6% wurden die Aktien zum 31. Dezember 2010 mehrheitlich von der Navigator Equity Solutions SE gehalten. Das Management hielt 10,5% der Anteile und 9,5% wurden von der Gesellschaft selbst gehalten. Die verbleibenden 6,4% waren als Free Float zu klassifizieren.



Stand: 31. Dezember 2010

Im Rahmen seiner Ernennung zum neuen CEO der Gesellschaft, hat Herr Markus Solibieda ebenfalls einen Anteil von 7,1% an den Aktien der IT Competence Group N.V. aus dem Bestand der Gesellschaft erworben, so dass sich der Anteil der eigenen Aktien inzwischen auf 2,4% verringert hat.

4. Lagebericht

Wirtschaftliches Umfeld

Nach Informationen des Januar-Updates zum World Economic Outlook des Internationalen Währungsfonds (IWF) hat die Weltwirtschaft die vergangene Rezession erfolgreich überstanden und mit 5,0% wieder ein beachtliches Wachstum erzielt (2009: -0,6%).

Allerdings wurde diese Entwicklung hauptsächlich von den Entwicklungs- und Schwellenländern (+7,1%) getragen, während sich die Industrienationen (+3,0%) weniger dynamisch zeigten. Deutschland stach unter den Industrieländern mit einer überdurchschnittlichen Entwicklung hervor und war insbesondere die führende Nation des Euroraums.

Nach dem starken Einbruch von 4,7% im Jahr 2009 nahm das preisbereinigte Bruttoinlandsprodukt (BIP) in Deutschland im Jahr 2010 wieder um 3,6% zu. Dies entspricht dem Doppelten der durchschnittlichen Wachstumsrate des Euroraums. Zu diesem Wachstum trugen der private Konsum mit 0,2 Prozentpunkten, der Staatsverbrauch mit 0,5 Prozentpunkten, die Bruttoanlageinvestitionen mit 1,1 Prozentpunkten, höhere Lagerhaltung mit 0,6 Prozentpunkten und der Außenbeitrag mit 1,3 Prozentpunkten bei.

Marktumfeld – IT-Branche

Nach Informationen des Branchenverbandes BITKOM (Bundesverband Informationswirtschaft, Telekommunikation und neue Medien e.V.) vom März 2011 stiegen die Umsätze der deutschen IT-Industrie im Jahr 2010 von EUR 64,1 Mrd. auf EUR 65,9 Mrd. an. Somit der verzeichnete der deutsche IT-Markt nach dem 6,5%-igen Rückgang des Jahres 2009 im Jahr 2010 wieder ein Wachstum von 3,0%. Das Marktvolumen liegt jedoch immer noch deutlich hinter den Vergleichswerten der Jahre 2008 (EUR 68,5 Mrd.) und sogar 2007 (EUR 66,9 Mrd.) zurück. Der Markt für IT Hardware als sich dabei mit einer Wachstumsrate von 5,1% am besten entwickelt. Auch der Software-Markt erzielte mit 3,5% eine überdurchschnittliche Wachstumsrate, während die Entwicklung im Markt für IT-Services eher schleppend verlief und in einem unterdurchschnittlichen Wachstum von lediglich 1,7% resultierte. Ein Vergleich mit den Prognosen vom März 2010 zeigt, dass das IT-Service Geschäft zum Sorgenkind des Marktes geworden ist. Im März 2010 rechnete BITKOM noch mit 0,2% Wachstum für IT-Hardware, 0,9% Wachstum für Software und 2,2% für IT Services. Während der Rest des IT-Marktes also von der sich besser als erwartet entwickelnden Konjunktur profitieren konnte, hatte der Markt für IT-Services immer noch mit den Nachwirkungen der vergangenen Rezession zu kämpfen.

Gleichzeitig besteht im Markt eine hohe Nachfrage nach IT-Fachkräften, insbesondere in den Bereichen Software und IT-Services, so dass auch der Fachkräftemangel wieder zunimmt. Nach Angaben von BITKOM ist der Anteil der Unternehmen die unter einem Fachkräftemangel leiden im ersten Quartal 2011 wieder auf 59% gestiegen und liegt damit nahe am Vorkrisen-Niveau von 60% bis 65%.

Für die Jahre 2011 und 2012 rechnet die IT-Branche nun mit einem leicht beschleunigten, stabilen Wachstum von 4,3% in 2011 und 4,4% in 2012. Getrieben wird diese Entwicklung weiterhin von IT-Hardware (+5,6% und +5,1%) und Software (+4,5% und +4,9%), während der Markt für IT-Services sich mit Wachstumsraten von 3,5% und 3,8% weiterhin am schlechtesten entwickeln soll. Wesentlicher Wachstumstreiber in den Bereichen Software und IT-Services ist das boomende Geschäft mit Cloud Computing, für das bis zum Jahr 2015 mit einem durchschnittlichen jährlichen

Wachstum von mehr als 30% gerechnet wird. Weitere Schwerpunkte liegen z. B. in den Bereichen IT Sicherheit, Business Intelligence, Business Process Management, Breitband und E-Energy.

Insgesamt war das Marktumfeld für die IT Competence Group N.V. und ihrer operativen Töchter im IT-Services Geschäft im Jahr 2010 nicht so positiv wie ursprünglich erwartet. Im Vergleich zum Geschäftjahr 2009 bewegte sich die Gruppe aber zumindest in einem stabilen Geschäftsumfeld.

Geschäftsentwicklung der IT Competence Group N.V.

Im Geschäftsjahr 2010 hatte die IT Competence Group N.V. zwei operative Tochtergesellschaften: die Human Internet CONSULT AG (HIC) und die BEAM IT CONSULT GmbH.

Im Geschäftsjahr 2010 hatte die HIC unter dem Ausfall eines Großprojektes im Gesundheitswesen zu leiden und hat darüber hinaus, im Rahmen der erhöhten Konzentration auf Rentabilität, einige niedrig-margige Projekte beendet. Als Reaktion auf veränderte Marktbedingungen hat die HIC außerdem Neuausrichtung ihrer Vertriebsstruktur und ihres Stammpersonals vorgenommen.

Die wesentlichen Zielmärkte der HIC sind die Branchen im Finanzbereich, Gesundheitswesen, Energieversorger, Telekommunikations-, Automobil- und Industriebereich, da hier in den nächsten Jahren mit starken Veränderungen in der IT zu rechnen ist. Mit Blick auf diese Branchen nehmen insbesondere die Dienstleistungen im Bereich des Technical Consulting & Engineering sowie im Consulting eine wesentliche Rolle ein. Während sich die HIC dort insbesondere auf ITK-Infrastruktur, IT-Sicherheit, IT-Prozesse, IT-Governance und IT-Compliance konzentriert, wird nun auch das Thema Gebäudesicherheit adressiert.

Vor dem Hintergrund der schlechten Entwicklung in der Automobilindustrie, wurde die BEAM IT CONSULT GmbH im Geschäftsjahr 2009 einer umfassenden strategischen Prüfung unterzogen. Das Ergebnis war eine Neuausrichtung der Gesellschaft mit einem Fokus auf Business & Process Management Consulting.

Im Juni 2010 hat Herr Uwe Wermke als neuer Geschäftsführer die Leitung der BEAM übernommen und gegen Ende des Jahres konnte die Gesellschaft wieder erste Aufträge gewinnen.

Entwicklung der Vermögens-, Finanz- und Ertragslage

Ertragslage

Umsatz und Auftragslage

Im Geschäftsjahr 2010 erwirtschaftete die IT Competence Group N.V. mit ihren Tochtergesellschaften einen Konzernumsatz in Höhe von EUR 8,6 Mio. (2009: EUR 11,1 Mio.). Dies entspricht einem Rückgang um 22,6% gegenüber dem Vorjahr. Dieser Umsatz ist nahezu vollständig der Human Internet CONSULT AG zuzuschreiben, da die BEAM IT CONSULT GmbH nach der strategischen Neuausrichtung erst gegen Ende des Jahres wieder erste Umsätze generieren konnte.

In 2010 waren der Auftragseingang und die Umsatzentwicklung im Vergleich zum Vorjahr rückläufig, was hauptsächlich auf den Ausfall eines Großprojektes im Gesundheitswesen bei der HIC zurückzuführen ist.

Human Internet CONSULT AG

Die Geschäftsaktivitäten der HIC verteilen sich auf die Geschäftsfelder IT Services und Consulting.

IT-Services

In diesem Geschäftsfeld bietet die HIC Technical Consulting & Engineering (TC&E) sowie Managed Services an.

Technical Consulting & Engineering (früher OnSiteServices)

Im Geschäftsjahr 2010 war das Geschäftsfeld TC&E erneut der umsatzstärkste Bereich der HIC. Hierauf entfielen ca. 68% des Gesamtumsatzes.

Managed Services

Der Umsatzanteil des Geschäftsfelds „Managed Services" betrug im Geschäftsjahr 2010 ca. 6% des Gesamtumsatzes. Dieser basiert vor allem auf dem 3-Jahres-Vertrag, der im Geschäftsjahr 2009 gewonnen werden konnte.

Consulting

Im Geschäftsfeld „Consulting" wurden im abgelaufenen Geschäftsjahr ca. 26% des Gesamtumsatzes erwirtschaftet. Im Geschäftsjahr 2010, konzentrierten sich die Consulting-Aktivitäten auf die Bereiche ITK-Infrastruktur sowie Informationssicherheit und Prozesse.

BEAM IT CONSULT GmbH

Die BEAM IT CONSULT GmbH wurde aufgrund der Krise in der Automobilindustrie im Geschäftsjahr 2009 einer grundlegenden strategischen Überprüfung unterzogen, die im Laufe des Jahres 2010 zu einer Neupositionierung mit dem Schwerpunkt Business & Process Management Consulting führte. Daher erwirtschaftete die Gesellschaft im Jahr 2010 zunächst nur geringe externe Umsätze in Höhe von EUR 0,1 Mio. (2009: EUR 0,0 Mio.).

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Ergebnisentwicklung

Im Geschäftsjahr 2010 betrugen die Herstellungskosten im Konzern der IT Competence Group N.V. insgesamt EUR 3,2 Mio. (2009: EUR 4,8 Mio.). Daraus resultiert ein Rohertrag für die Gesellschaft in Höhe von EUR 5,4 Mio. (2009: EUR 6,3 Mio.). Die Rohertragsmarge konnte von 57,1% auf 63,3% verbessert werden, was für eine qualitative Verbesserung der Umsätze spricht. Nach Abzug der weiteren operativen Kosten in Höhe von EUR 5,0 Mio. (2009: EUR 5,7 Mio.) ergibt sich ein operatives Ergebnis (EBIT) in Höhe von EUR 0,4 Mio. (2009: EUR 0,6 Mio.). Somit verringerte sich die operative Ergebnismarge von 5,8% auf 4,9%. Dies ist hauptsächlich auf den negativen Ergebnisbeitrag der BEAM nach dem Neustart zurückzuführen. Der überwiegende Teil des Ergebnisses ist der HIC zuzuschreiben, die mit EUR 0,5 Mio. (2009: EUR 0,7 Mio.) zum operativen Ergebnis beitrug. Die operativen Ergebnisbeiträge der BEAM und der IT Competence Group N.V. Holding beliefen sich auf EUR -0,1 Mio. (2009: EUR 0,0 Mio.) beziehungsweise EUR 0,0 Mio. (2009: EUR 0,0 Mio.).

Das Finanzergebnis belief sich auf EUR -0,2 Mio. (2009: EUR -0,3 Mio.). Daraus ergibt sich ein Vorsteuerergebnis von EUR 0,2 Mio. (2009: EUR 0,3 Mio.). Das Jahresergebnis nach Abzug von Steuern in Höhe von EUR -0,3 Mio. (2009: EUR 0,2 Mio.) betrug EUR -0,0 Mio. (2009: EUR 0,1 Mio.).

Vor dem Hintergrund der Ergebnisentwicklung hat sich die Ergebnismarge im Geschäftsjahr 2010 1,0% ins Negative verschlechtert.

Die Eigenkapitalrendite ging im Berichtszeitraum von 4,8% in den negativen Bereich zurück.

Vermögenslage

Zum 31. Dezember 2010 belief sich die Bilanzsumme der IT Competence Group N.V. auf EUR 7,0 Mio. (2009: EUR 7,3 Mio.). Während das Anlagevermögen, hauptsächlich bestehend aus Goodwill in Höhe von EUR 4,8 Mio., stabil bei EUR 4,9 Mio. (2009: 4,9 Mio.) blieb, nahm das Umlaufvermögen auf EUR 2,1 Mio. (2009: EUR 2,4 Mio.) ab. Dies ist im Wesentlichen auf die Verringerung der liquiden Mittel von EUR 1,2 Mio. auf EUR 0,9 Mio. zurückzuführen. Forderungen aus Lieferungen und Leistungen sowie sonstige Forderungen bleiben stabil bei EUR 1,0 Mio. (2009: EUR 1,0 Mio.).

Die kurzfristigen Verbindlichkeiten betrugen EUR 2,5 Mio. (2009: EUR 2,7 Mio.), wovon EUR 0,8 Mio. (2009: EUR 0,8 Mio.) auf Verbindlichkeiten aus Lieferungen und Leistungen entfielen und EUR 1,5 Mio. auf sonstige Verbindlichkeiten (2009: EUR 1,8 Mio.). Die langfristigen Verbindlichkeiten blieben stabil bei EUR 2,2 Mio. (2009: EUR 2,2 Mio.). Das Eigenkapital der Gesellschaft zum 31. Dezember 2010 belief sich, einschließlich eines Korrekturbetrages von EUR 0,2 Mio. für eigene Aktien, auf EUR 2,3 Mio. (2009: EUR 2,4 Mio.). Die Eigenkapitalquote verbesserte sich von 32,7% auf 33,2%.

Langfristige Finanzierungsmittel (Eigenkapital und langfristige Darlehen) machten 64,8% (2009: 63,1%) der Bilanzsumme aus.

Die Anlagendeckung (Eigenkapital zu Anlagevermögen) verschlechterte sich von 48,4% auf 47,6%.

Das Verhältnis von langfristigem Kapital (Eigenkapital und langfristiges Fremdkapital) zu Anlagevermögen verschlechterte sich von 93,4% auf 92,8%.

Damit ist das Anlagevermögen der IT Competence Group N.V. vollständig durch langfristige Finanzierungsquellen gedeckt.

Investitionen

Die Investitionen der IT Competence Group N.V. im Jahr 2010 sind hauptsächlich der HIC zuzuschreiben. Dabei handelt es sich überwiegend um Ersatzinvestitionen im Bereich Hardware, Software und Büroeinrichtung. Geschäftsfahrzeuge werden aus Liquiditätsgründen grundsätzlich geleast.

Finanzlage

Der Cashflow aus operativer Tätigkeit belief sich im Geschäftsjahr 2010 auf EUR 0,2 Mio. (2009: EUR 0,4 Mio.).

Der Cashflow aus Investitionstätigkeit betrug EUR -0,5 Mio. (2009: EUR -0,5 Mio.) und ist hauptsächlich auf die Zahlung der letzten Kaufpreistranche für den Kauf der Human Internet CONSULT AG sowie auf die oben erwähnten Investitionen zurückzuführen.

Der Cashflow aus Finanzierungstätigkeit im Geschäftsjahr 2010 lag bei EUR 0,0 Mio. (2009: EUR 0,0 Mio.).

Insgesamt betrug der Cashflow im Geschäftsjahr 2010 EUR -0,3 Mio. (2009: EUR -0,0 Mio.), woraus sich zum Jahresende ein Bestand an liquiden Mitteln in Höhe von EUR 0,9 Mio. ergibt.

Die Liquidität ersten Grades für das Geschäftsjahr 2010 beläuft sich auf 37,8% (2009: 46,2%). Dies stellt weiterhin eine angemessene Liquiditätsausstattung der Gesellschaft dar.

Die Liquidität zweiten Grades beträgt 82,1% (2009: 86,0%) und liegt weiterhin unterhalb des angestrebten Wertes von 100%.

Die Liquidität dritten Grades beträgt 85,6% (2009: 87,9%) und liegt damit im Konzern ebenfalls unterhalb des Zielwertes (150%).

Der Vorstand ist der Meinung, dass die Finanzlage der Gesellschaft hinreichend gut ist, um den Working Capital Bedarf und weitere Investitionen zu finanzieren.

Mitarbeiter

Zum 31. Dezember 2010 waren im Konzern der IT Competence Group N.V. 63 (2009: 64) Personen beschäftigt. Davon entfielen 62 (2009: 63) Mitarbeiter auf die Human Internet CONSULT AG und 1 Mitarbeiter (2009: 1) auf die BEAM IT CONSULT GmbH.

Für das Geschäftsjahr 2011 rechnet der Vorstand mit einem deutlichen Anstieg der Mitarbeiterzahl, da die HIC den Ausbau ihres Personals um 10 bis 15 Prozent plant.

Risikobericht

Im kommenden Geschäftsjahr hängen die wirtschaftlichen Risiken der IT Competence Group N.V. wesentlich von der weiteren Geschäftsentwicklung der HIC und der künftigen Geschäftsentwicklung der BEAM ab.

Die Geschäftsentwicklung der HIC AG ist in erster Linie stark abhängig vom weiteren konsequenten Ausbau des Consulting Bereichs und der Weiterentwicklung des IT Service Geschäfts. Wesentliche Elemente für den Erfolg der HIC AG werden eine geringe Personalfluktuation, erfolgreiche Rekrutierung neuer Berater und Techniker und eine entsprechende Platzierung des Produkt-Mixes sein.

Konjunkturelle Risiken

Die Nachfrage der Kunden im IT-Geschäft hängt wesentlich von der eigenen Geschäfts- und Finanzlage der Kunden und damit auch von der allgemeinen wirtschaftlichen Entwicklung ab. Derzeit befinden sich Weltwirtschaft und die deutsche Wirtschaft in der Erholungsphase nach einer tiefen Rezession und es wird erwartet, dass sich diese gute Wachstumsentwicklung auf absehbare Zeit weiter fortsetzt. Dies schlägt sich auch in einer positiven Wachstumsprognose für den IT-Services Markt in den kommenden Jahren nieder. Es gibt jedoch keine Garantie dafür, dass der derzeitige Aufschwung tatsächlich nachhaltig ist und es besteht weiterhin eine Vielzahl beachtlicher Risiken für die zukünftige wirtschaftliche Entwicklung, gerade auch in Europa und Deutschland. Sollte sich also das allgemeine wirtschaftliche Umfeld wieder verschlechtern, so wird das sicherlich auch negative Folgen auf den IT-Services Markt haben und sich belastend auf die Finanz- und Vermögenslage des Konzerns auswirken.

Wettbewerb

Der IT-Services Markt ist stark zersplittert und durch intensiven Wettbewerb gekennzeichnet. Die Konzerngesellschaften stehen dabei in Konkurrenz mit einer kleinen Anzahl größerer

Marktteilnehmer sowie einer großen Menge kleinerer Wettbewerber. Dieser Wettbewerb wird zusätzlich durch ehemalige Mitarbeiter des Konzerns angefacht. Wie in jedem anderen Markt wirkt sich ein derart intensiver Wettbewerb auch negativ auf die erzielbaren Preise und Margen aus, wodurch die Rentabilität des Konzerns beeinflusst werden kann. Wenn die Konzerngesellschaften sich in diesem wettbewerbsintensiven Umfeld nicht behaupten können, kann das negative Auswirkungen auf die Finanz- und Vermögenslage des Konzerns haben.

Personalrisiken

Wie BITKOM im Februar 2011 berichtete, nimmt der Fachkräftemangel im IT-Markt wieder zu, so dass derzeit 59% aller Unternehmen angeben, dass sie durch Fachkräftemangel in ihrem Wachstum gebremst werden. Daher ist es möglich, dass auch die operativen Tochtergesellschaften der IT Competence Group N.V. Schwierigkeiten haben können, die benötigten und entsprechend qualifizierten Mitarbeiter für ihre geplanten Wachstumsstrategien zu finden.

Das IT-Geschäft ist laufenden technologischen Veränderungen und Neuentwicklungen unterworfen. Daher ist es notwendig, dass die technischen Mitarbeiter der Konzerngesellschaften sich immer auf der Höhe dieser Entwicklungen befinden und ihre Fachkenntnisse ständig zu erweitern, um auf dem neuesten Stand zu bleiben. Wenn die Konzerngesellschaften diesem Risiko nicht durch geeignete Weiterbildungs- und Schulungsmaßnahmen begegnen, könnten sie ihre Wettbewerbsfähigkeit am Markt verlieren, wodurch sich negative Auswirkungen auf die Finanz- und Vermögenslage des Konzerns ergeben könnten.

Derzeit ist das Management davon überzeugt, dass keines der vorgenannten Risiken eine Gefährdung für den Fortbestand des Konzerns darstellt.

Nachtragsbericht

Am 02. Februar 2011 gab die IT Competence Group N.V. die Ernennung von Herrn Markus Solibieda als weiteres Mitglied und neuen CEO der IT Competence Group N.V. bekannt. Herr Solibieda wird künftig die Wachstumsstrategie der Gesellschaft verantworten und als Vorstandssprecher das bisherige Management verstärken.

Am 28. Mai 2011 gab IT Competence Group N.V. den Erwerb des IT-Dienstleistungsunternehmens net on AG bekannt. Die net on AG ist ein führender Anbieter von Netzwerkmanagementlösungen einschließlich von Gestaltung, Implementierung und Umsetzung von IT-Infrastrukturen für große und mittlere Unternehmen. Die 1997 gegründete Gesellschaft betreut mit 45 Mitarbeitern an 5 Standorten einen großen Kundenkreis mit Unternehmen wie der Bitburger Brauerei oder der LBS Rheinland-Pfalz.

Prognosebericht

Ausgehend vom Januar-Update seines World Economic Outlook, erwartet der IWF dass sich die Erholung der Weltwirtschaft mit leicht verminderter Intensität weiter fortsetzen wird. Die Prognose des IWF für das Jahr 2011 sieht das Wachstum der Weltwirtschaft bei 4,4% - verglichen mit 5,0% im Jahr 2010 – wobei mit Wachstumsraten von 6,5% für die Entwicklungs- und Schwellenländer und 2,5% für die Industrienationen gerechnet wird. Innerhalb der Industrienationen nimmt Deutschland mit einem erwarteten Wachstum von 2,2% weiterhin eine wichtige Position ein.

Das weiterhin positive wirtschaftliche Umfeld in Deutschland schlägt sich auch in den Prognosen für den IT-Markt nieder. Hier rechnet der Branchenverband BITKOM damit, dass sich das Marktwachstum sogar noch beschleunigt. Für den Gesamtmarkt erwartet BITKOM ein Wachstum von 4,3% oder EUR 2,9 Mrd. auf ein Gesamtvolumen von EUR 68,8 Mrd. Wesentlicher Wachstumstreiber bleibt der Markt für IT-Hardware mit einem prognostizierten Wachstum von 5,6%, gefolgt von Software mit 4,5% Wachstum und IT-Services mit 3,5%. Das Marktvolumen für IT-Services soll dabei von EUR 33,0 Mrd. auf EUR 34,2 Mrd. wachsen.

Die Prognose stellt ein ausreichend positives Geschäftsumfeld für die IT Competence Group N.V. und ihre operativen Tochtergesellschaften dar, um eine deutliche Verbesserung sowohl beim Umsatz als auch beim Ergebnis zu erzielen. Daher erwarten wir, dass die IT Competence Group N.V. im Geschäftsjahr 2011 die Marke von EUR 10 Mio. Umsatz übertreffen und ein entsprechend positives operatives Ergebnis erzielen wird.

Bericht des Aufsichtsrates

Der Aufsichtsrat der IT Competence Group N.V. besteht aus drei Personen.

Im Jahr 2010 fanden, in Übereinstimmung mit der Satzung der IT Competence Group N.V., vier ordentliche Sitzungen des Aufsichtsrates statt.

Der Aufsichtsrat wurde vom Vorstand regelmäßig mündlich und schriftlich über die finanzielle Situation und die Geschäftsentwicklung der Gesellschaft informiert. Im Rahmen der Aufsichtsratsitzungen wurde der Aufsichtsrat über Aktivitäten, Vorgehensweisen und aktuelle Themen im Konzern der IT Competence Group N.V. in Kenntnis gesetzt und zur Beratung hinzugezogen.

Themen, die im Verlauf des Jahres besondere Aufmerksamkeit erfuhren, waren unter anderem:

- Budget
- Geschäftsstrategie
- Entwicklung der Umsatz- und Ertragslage
- Geschäftslage und weiteres Vorgehen bei der Human Internet CONSULT AG, der BEAM IT CONSULT GmbH und der Power Economizer GmbH
- Verhandlungen Vorstandsvertrag Markus Solibieda
- potenzielle weitere Beteiligungen

Der Jahresabschluss der IT Competence Group N.V. wurde entsprechend den von der EU anerkannten „International Financial Reporting Standards“ (IFRS) erstellt. Der Abschluss wurde von den unabhängigen Wirtschaftsprüfern der KPMG Accountants N.V. geprüft.

Der Aufsichtsrat bestätigt den vom Vorstand vorgestellten Jahresabschluss und stimmt dem Lagebericht und der dortigen Beschreibung der Lage der Gesellschaft zu. Der Aufsichtsrat schlägt den Aktionären vor, dem Jahresabschluss 2010 ebenfalls zuzustimmen.

Die Zusammensetzung des gezeichneten Kapitals sowie die Regelungen über die Ernennung und Abberufung der Mitglieder des Vorstands und über die Änderung der Satzung entsprechen den gesetzlichen Vorgaben und sind selbsterklärend.

Der Aufsichtsrat dankt dem Vorstand für das Engagement, die im abgelaufenen Geschäftsjahr geleistete Arbeit und den stets vertrauensvollen und fruchtbaren Informationsaustausch.

Waalre, Niederlande

10. Juni 2011

5. Financial Statements and Notes

Consolidated statement of financial position as at 31 December 2010 (in thousands of euros)

(before profit appropriation)

	Notes	2010	2009
ASSETS			
Non current assets			
Tangible fixed assets	*13*	135	136
Intangible assets	*14*	4,777	4,777
		4,912	**4,913**
Current assets			
Inventories	*15*	85	51
Trade and other receivables	*16*	953	950
Current tax asset		143	119
Cash and cash equivalents	*17*	933	1,242
		2,114	**2,362**
Total assets		**7,026**	**7,275**
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	*18*	1,875	1,875
Treasury shares	*18*	(178)	(178)
Retained earnings	*18*	680	566
Undistributed result	*18*	(41)	114
Total equity attributable to equity holders of the company		2,336	2,377
Total equity		**2,336**	**2,377**
Non-current liabilities			
Loans from group companies	*20*	2,220	2,210
		2,220	**2,210**
Current liabilities			
Current tax liability		158	75
Trade payables and other liabilities	*21*	2,312	2,613
		2,470	**2,688**
Total equity and liabilities		**7,026**	**7,275**

The accompanying notes to this statement of financial position form an integral part of these financial statements.

Consolidated statement of comprehensive income for the year ended 31 December 2010 (in thousands of euros)

	Notes	2010	2009
Continuing operations			
Revenue	*8*	8,603	11,109
Total revenues		**8,603**	**11,109**
Cost of sales		(3,155)	(4,761)
Gross profit		**5,448**	**6,348**
Personnel expenses	*9*	(3,697)	(4,425)
Depreciation and amortisation expenses		(56)	(68)
Other expenses	*10*	(1,275)	(1,209)
Total expenses		**(5,028)**	**(5,702)**
Operating result		**420**	**646**
Interest income		3	1
Interest expenses		(254)	(257)
Other		56	(91)
Net finance result	*11*	**(195)**	**(347)**
Income before income tax		**225**	**299**
Income tax	*12*	(266)	(185)
Income for the period from continuing operations		**(41)**	**114**
Income for the period		**(41)**	**114**
Total comprehensive income for the period		**(41)**	**114**
Income for the period attributable to:			
Equity holders of the company		(41)	114
Income for the period		**(41)**	**114**
Total comprehensive income attributable to:			
Equity holders of the company		(41)	114
Total comprehensive income for the period		**(41)**	**114**
EARNINGS PER ORDINARY SHARE – CONTINUING OPERATIONS (in euros)	*19*		
Basic		(0.000)	(0.001)
Diluted		(0.000)	(0.001)

The accompanying notes to this statement of comprehensive income form an integral part of these financial statements

Consolidated Statement of Changes in Equity
(in thousands of euros)

	Share Capital	Retained earnings	Treasury shares	Fair value re-serves	Total attributable to equity holders of parent	Total equity
Balance at 1 January 2009	**1,875**	**566**	**(178)**	**-**	**2,263**	**2,263**
Total comprehensive income for the year						
Profit	-	114	-	-	114	114
Total comprehensive income for the year	-	114	-	-	114	114
Transactions with owners of the Company, recognised directly in equity	-	-	-	-	-	-
Total transactions with owners of the Company	-	-	-	-	-	-
Balance at 31 December, 2009	**1,875**	**680**	**(178)**	**-**	**2,377**	**2,377**
Total comprehensive income for the year						
Profit	-	(41)	-	-	(41)	(41)
Total comprehensive income for the year	-	(41)	-	-	(41)	(41)
Transactions with owners of the Company, recognised directly in equity	-	-	-	-	-	-
Total transactions with owners of the Company	-	-	-	-		-
Balance at 31 December, 2010	**1,875**	**639**	**(178)**	**-**	**2,336**	**2,336**

The accompanying notes to this changes in equity statement form an integral part of these financial statements

Consolidated cash flow statement for the year ended 31 December 2010 (in thousands of euros)

	2010	2009
Cash flow from operating activities		
Income for the period	**(41)**	**114**
Adjustments for:		
Depreciation of tangible fixed assets	56	68
Interest income and expenses	250	256
Income tax expense	266	186
Change in other current assets and trade receivables	(108)	907
Change in current liabilities and provisions	28	(860)
Interest received	3	1
Interest paid	(78)	(81)
Income tax paid	(192)	(161)
Net cash used for or (provided) by operating activities	**184**	**430**
Cash flow from investing activities		
Purchase of property, plant and equipment, net	(64)	(35)
Sale of property, plant and equipment	9	7
Acquisition of minority interest	(448)	(448)
Net cash used for (provided by) investing activities	**(503)**	**(476)**
Cash flow from financing activities		
Proceeds from loans	10	-
Net cash used for (provided by) financing activities	**10**	**-**
Net decrease in cash and cash equivalents	**(309)**	**(46)**
Cash and cash equivalents at beginning of year	**1,242**	**1,288**
Cash and cash equivalents at end of year	**933**	**1,242**

The accompanying notes to this cash flow statement form an integral part of these financial statements.

Notes to the consolidated financial statements for the year ended 31 December 2010

1. Reporting entity

IT Competence Group N.V. (the 'Company' or 'ITC') is a company domiciled in The Netherlands. The address of the Company's registered office is Laan van Diepenvoorde 3, 5582 LA Waalre. The consolidated financial statements of the Company as at and for the year ended 31 December 2010 comprise the Company and its subsidiaries (together referred to as the 'Group' and individually as 'Group entities') and the Group's interest in associates and jointly controlled entities. The Group is a publicly listed holding company focusing on fast growing IT service companies with business activities in IT consulting and outsourcing solutions (see note 6).

The parent company of ITC is Navigator Equity Solutions SE, which holds 81.32% of the outstanding shares.

2. Basis of preparation

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU.

The consolidated financial statements were authorized for issuance by the Board of Directors on 10 June 2011.

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following:

- financial instruments at fair value through profit or loss are measured at fair value;

The methods used to measure fair values are discussed further in note 4.

(c) Functional and presentation currency

These consolidated financial statements are presented in euro, which is the Company's functional currency. All financial information presented in euro has been rounded to the nearest thousand.

(d) Use of estimates and judgements

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The most critical accounting policies involving a higher degree of judgement and complexity in applying principles of valuation are described below. Changes in the assumptions and estimates as described could result in significantly different results than those recorded in the financial statements.

- **Impairment of intangible assets (note 14 and 30):** We assess whether the carrying values of intangible assets are recoverable. In this assessment, we make significant judgements and estimates to determine if the future cash flows expected to be generated by those assets are less than their carrying value. The data necessary for the impairment tests are based on our strategic plans and our estimates of future cash flows, which require estimating revenue growth rates and profit margins. The estimated cash flows are discounted using a net present value technique with business-specific discount rates.
- **Accounting for income tax (note 12):** As part of the process of preparing consolidated financial statements, we estimate income tax in each of the jurisdictions in which we operate. This process involves estimating actual current tax expense and temporary differences between carrying amounts of assets and liabilities for tax and financial reporting purposes. Temporary differences result in deferred tax assets and liabilities, which are included in the consolidated balance sheet. We assess the likelihood that deferred tax assets will be recovered from future taxable income.

(e) Changes in accounting policies

(i) Accounting for business combinations

From 1 January 2010 the Group has applied IFRS 3 Business Combinations (2008) in accounting for business combinations. The change in accounting policy has been applied prospectively and has had no material impact on earnings per share.

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable.

Acquisitions on or after 1 January 2010

For acquisitions on or after 1 January 2010, the Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

When share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree’s employees (acquiree’s awards) and relate to past services, then all or a portion of the amount of the acquirer’s replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based value of the replacement awards compared with the market-based value of the acquiree's awards and the extent to which the replacement awards relate to past and/or future service.

Acquisitions prior to 1 January 2010

For acquisitions prior to 1 January 2010, goodwill represents the excess of the cost of the acquisition over the Group's interest in the recognised amount (generally fair value) of the identifiable assets, liabilities and contingent liabilities of the acquiree. When the excess was negative, a bargain purchase gain was recognised immediately in profit or loss.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurred in connection with business combinations were capitalised as part of the cost of the acquisition.

(ii) Accounting for acquisitions of non-controlling interests

From 1 January 2010 the Group has applied IAS 27 Consolidated and Company Financial Statements (2008) in accounting for acquisitions of non-controlling interests. The change in accounting policy has been applied prospectively and has had no impact on earnings per share.

Under the new accounting policy, acquisitions of non-controlling interests are accounted for as transactions with owners in their capacity as owners and therefore no goodwill is recognised as a result of such transactions. The adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiary.

Previously, goodwill was recognised on the acquisition of non-controlling interests in a subsidiary, which represented the excess of the cost of the additional investment over the carrying amount of the interest in the net assets acquired at the date of the transaction.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, and have been applied consistently by Group entities, except as explained in note 2(e), which addresses changes in accounting policies.

(a) Basis of consolidation

(i) Business combinations

The Group has changed its accounting policy with respect to accounting for business combinations. See note 2(e)(i) for further details.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that currently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

(iii) Loss of control

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

(iv) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates and jointly controlled entities are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated into the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the period.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated into the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of available-for-sale equity instruments, a financial liability designated as a hedge of the net investment in a foreign operation, or qualifying cash flow hedges, which are recognised in other comprehensive income.

(c) Financial instruments

(i) Non-derivative financial instruments

The Group initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group has the following non-derivative financial assets: loans and receivables.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise cash and cash equivalents, and trade and other receivables, including service concession receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less.

Other

Other non-derivative financial instruments are measured at amortised cost using the effective interest method, less any impairment losses.

(ii) Non-derivative financial liabilities

The Group initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group has the following non-derivative financial liabilities: trade and other payables.

The Group classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

(iii) Share Capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

Preference share capital

To date, the Group has not issued any preference share capital.

Repurchase of share capital

When share capital recognised as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the reserve for own shares. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is presented in share premium.

(d) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. Borrowing costs related to the acquisition or construction of qualifying assets are recognised as capitalised borrowing costs, being part of the total costs of such assets.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net within ‘other income’ in profit or loss. When revalued assets are sold, the amounts included in the revaluation reserve are transferred to retained earnings.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

Machinery and equipment	: 2-10 years.
Furniture and vehicles	: 2-20 years.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. Estimates in respect of certain items of plant and equipment were revised in 2010 (see note 13).

(e) Intangible assets

(i) Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets.

Acquisitions are accounted for applying the equity method.

Goodwill represents the excess of the cost or the costs of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree. When the excess is negative (negative goodwill), it is recognised immediately in profit or loss.

Increase in majority interests are accounted for by applying the equity method. The goodwill arising from the increase in a majority interest is a result of the difference between the costs of the increased interest and the corresponding equity.

Subsequent measurement

Goodwill is measured at cost less accumulated impairment losses. In respect of equity accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity accounted investee.

(ii) Other intangible assets

Other intangible assets that are acquired by the Group, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses.

(iii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

(iv) Amortisation

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use. In respect of the client list, the estimated useful lives for the current and comparative periods are 4 years.

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(f) Leased assets

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. The Group does not hold any leases classified as finance leases.

Other leases are operating leases and are not recognised on the Group's statement of financial position.

(g) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(h) Trade and other receivables

Trade and other receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method less impairment losses (see 3(i)(i)).

(i) Impairment

(i) Financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers in the Group, economic conditions that correlate with defaults or the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

Loans and receivables and held-to-maturity investment securities

The Group considers evidence of impairment for receivables and held-to-maturity investment securities at both a specific asset and collective level. All individually significant receivables and held-to-maturity investment securities are assessed for specific impairment. All individually significant receivables and held-to-maturity investment securities found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Receivables and held-to-maturity investment securities that are not individually significant are collectively assessed for impairment by grouping together receivables and held-to-maturity investment securities with similar risk characteristics.

In assessing collective impairment the Group uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event (e.g. repayment by a debtor) causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, the recoverable amount is estimated each year at the same time. An impairment loss is recognised if the carrying amount of an asset or its related cash – generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU. Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

The Group's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Goodwill that forms part of the carrying amount of an investment in an associate is not recognised separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate is tested for impairment as a single asset when there is objective evidence that the investment in an associate may be impaired.

(iii) Non-current assets held for sale or distribution

Non-current assets, or disposal groups comprising assets and liabilities, that are expected to be recovered primarily through sale or distribution rather than through continuing use, are classified as held for sale or distribution. Immediately before classification as held for sale or distribution, the assets, or components of a disposal group, are remeasured in accordance with the Group's accounting policies. Thereafter generally the assets, or disposal group, are measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group first is allocated to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with the Group's accounting policies. Impairment losses on initial classification as held for sale or distribution and subsequent gains and losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

Intangible assets and property, plant and equipment once classified as held for sale or distribution are not amortised or depreciated. In addition, equity accounting of equity-accounted investees ceases once classified as held for sale or distribution.

(j) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(i) Warranties

A provision for warranties is recognised when the underlying products or services are sold. The provision is based on historical warranty data and a weighting of all possible outcomes against their associated probabilities.

(k) Revenue

(i) Services

Revenue from services rendered is recognised in profit or loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed.

(l) Finance income and finance costs

Finance income comprises interest income and foreign currency gains. Foreign currency gains and losses are reported on a net basis.

Finance costs comprise interest expense on borrowings. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

(m) Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

The Group holds no leases classified as finance leases.

(n) Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax payable also includes any tax liability arising from the declaration of dividends.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for non-tax deductable goodwill. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(o) Discontinued operations

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations that has been disposed of or is held for sale or distribution, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative statement of comprehensive income is re-presented as if the operation had been discontinued from the start of the comparative year.

(p) Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

(q) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Group's Chief Operating Decision Maker (Group's Management Board) to make decisions about resources to be allocated to the segment and assess its performance.

Inter-segment pricing is determined on an arm's length basis.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly investments (other than investment property) and related revenue, loans and borrowings and related expenses, corporate assets (primarily the Company's headquarters) and head office expenses, and income tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets other than goodwill.

(r) Cash flow statement

The consolidated cash flow statement is drawn up on the basis of the indirect method. Cash flows in foreign currencies are translated into euro at the date of the transaction.

(s) New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are not yet effective for the year ended 31 December 2010, and have not been applied in preparing these consolidated financial statements. We do not expect that any of these will have a significant effect on the consolidated financial statements of the Group, except for IFRS 9 Financial Instruments, which becomes mandatory for the Group’s 2013 consolidated financial statements and could change the classification and measurement of financial assets. The Group does not plan to adopt this standard early and the extent of the impact has not been determined.

4. Determination of fair values

A number of the Group’s accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(a) Property, plant and equipment

The fair value of property, plant and equipment recognised as a result of a business combination is the estimated amount for which a property could be exchanged on the date of acquisition between a willing buyer and a willing seller in an arm’s length transaction after proper marketing wherein the parties had each acted knowledgeably. The fair value of items of plant, equipment, fixtures and fittings is based on the market approach and cost approaches using quoted market prices for similar items when available and replacement cost when appropriate. Depreciated replacement cost estimates reflect adjustments for physical deterioration as well as functional and economic obsolescence.

(b) Intangible assets

The fair value of patents and trademarks acquired in a business combination is based on the discounted estimated royalty payments that have been avoided as a result of the patent or trademark being owned. The fair value of customer relationships acquired in a business combination is determined using the multi-period excess earnings method, whereby the subject asset is valued after deducting a fair return on all other assets that are part of creating the related cash flows.

The fair value of other intangible assets is based on the discounted cash flows expected to be derived from the use and eventual sale of the assets.

(c) Inventories

The fair value of inventories acquired in a business combination is determined based on the estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

(d) Equity and debt securities

The fair value of equity and debt securities is determined by reference to their quoted closing bid price at the reporting date, or if unquoted, determined using a valuation technique. Valuation techniques employed include market multiples and discounted cash flow analysis using expected future cash flows and a market-related discount rate. The fair value of held-to-maturity investments is determined for disclosure purposes only.

(e) Trade and other receivables

The fair value of trade and other receivables, excluding construction work in progress, is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. This fair value is determined for disclosure purposes or when acquired in a business combination.

(f) Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

5. Financial risk management

(a) Overview

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk
- operational risk

According to the groups internal procedures these risks are monitored frequently.

It is at management's discretion to decide to what extent these risks are hedged.

(b) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities.

(i) Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Group's customer base, including the default risk of the industry and country in which customers operate, as these factors may have an influence on credit risk. The actual influence of these factors on the Group's credit risk is low.

The Group has adopted a policy of only dealing with creditworthy counterparties. Trade receivables consist of a large number of customers. Ongoing credit evaluation is performed. The group does not have any significant credit risk exposure to any single counter party or any group of counter parties having similar characteristics.

(c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting its financial obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group has sufficient liquidity to settle potential liquidity shortages at its operating units. The Group's cash and cash equivalents position at balance sheet date was EUR 933k. Within the regular reporting of its operating units, the Group is constantly overseeing and controlling whether the operating units are able to meet their obligations.

(d) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Currency risk

Investments of the Group are mainly made in the euro (EUR) currency. Sales, purchases and borrowings are also mainly made in the euro (EUR) currency; all other currencies are of little importance only. The Company's regional focus lies on European countries but it also conducts business with countries outside the euro currency area. Therefore it cannot be excluded that future investments and transactions will be made in foreign currencies involving a currency risk.

Currency fluctuations between foreign currency and the euro currency could lead to exchange rate losses. An ongoing unfavourable development of the exchange rate could adversely affect the asset, financial and earnings situation of the company even if hedging transactions were conducted. At balance sheet date no hedge contracts were outstanding.

(ii) Interest rate risk

The Group is exposed to interest rate risk on a limited basis. There are no outstanding borrowings and the outstanding financial assets all have fixed interest rates. Net profit and equity reserves would not be affected as these investments are valued at amortised cost.

(iii) Investment risk

Direct investments

When acquiring **majority participations** in other companies, IT Competence Group N.V. follows an active management approach, getting directly involved in the investment company's operational activities until a positive impact has been achieved.

The investment approach of the Group is based on the following principles which are oriented towards reducing investment risk:

- Investment in enterprises special situations at favourable prices and with attractive appreciation potential
- Focus on selective "investment decisions" and acquisition of only a limited number of majority participations in order to accompany the selected companies in an intense manner
- Selection, reorganisation and management of the investment companies carried out by a best practice team equipped with own staff either employed or permanently associated with IT Competence Group N.V.

As these investment activities are rather capital intensive they embody the risk of significant capital losses. In particular, the Group has identified management risks, reorganisation risks, risks of selling and pricing and cyclical risks as the main risks of such investment activities.

When acquiring **minority participations**, IT Competence Group N.V. focuses on enterprises with above average growth and profit potential as well as undervalued companies and invests in both publicly listed and privately held companies. Prior to making an investment decision, the Group is carrying out a detailed analysis of the potential participation. However, the Group has only limited influence on the investment company's management and strategy. Even though IT Competence Group N.V. endeavours to minimise risks, certain risks cannot be excluded and the negative development of the participation embodies the risk of significant capital losses. In particular, the Group has identified pre-investment analysis risks, cyclical and legal risks as well as pricing risks.

(e) Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Group's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those things arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Group's operations.

The Group's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Group's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each business unit. The Group management regularly reviews and discusses operational risks and the respective implemented controls with the management of the business unit to which they relate.

(f) Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consists of share capital and retained earnings. The Board of Directors monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity, excluding non-controlling interests.

In 2008, the Group had undertaken one capital measure: Subsequent to the resignation of Mr. Bert Mayr from the management board of ITC at July 31, 2008, the Group had bought back his 9.5% shareholding in ITC equating to 8,906,251 shares for EUR 0.02 per share equating to a total consideration of EUR 178k.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

There were no changes in the Group's approach to capital management during the year.

6. Segment reporting

(a) Operating segments

The Group has two operating segments, as described below. The operating segments comprise different products and services, and are managed separately because basically each segment is organised in its own legal entity.

The Group comprises the following main operating segments:

- IT services business
- Holding of investments.

IT services comprise the consolidated subsidiaries Human Internet CONSULT AG and BEAM IT CONSULT GmbH.

Holding of investments comprises the activities of the holding company IT Competence Group N.V.

Information regarding the results of each reportable segment is included on the following pages. Performance is measured based on segment profit before interest and income tax, as included in the internal management reports that are reviewed by the Group's Management Board. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

(b) Geographical segments

The Group's segments operate in 3 principal geographical areas, Germany, Europe, and other regions. In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets.

Operating segments 2010

	IT services *in EUR 1,000*	Holding *in EUR 1,000*	Elimi-nations *in EUR 1,000*	Consoli-dation *in EUR 1,000*
External revenues	8,599	4	-	8,603
Internal revenues	30	3	(33)	-
Total revenues	**8,629**	**7**	**(33)**	**8,603**
Cost of sales	3,185	-	(30)	3,155
Gross profit	**5,444**	**7**	**(3)**	**5,448**
Employee costs	3,697	-	-	3,697
Depreciation and amortisation	56	-	-	56
Other expenses	1,239	39	(3)	1,275
Total expenses	**4,992**	**39**	**(3)**	**5,028**
Operating result	**452**	**(32)**	**-**	**420**
Net finance result	43	(238)	-	(195)
Share of profit of equity invested investees	-	229	(229)	-
Income before income tax	**495**	**(41)**	**(229)**	**225**
Income tax	(266)	-	-	(266)
Income for the period	**229**	**(41)**	**(229)**	**(41)**
Attributable to:				
Equity holders of the company	229	(41)	(229)	(41)
Non-controlling interests	-	-	-	-
Net income for the period	**229**	**(41)**	**(229)**	**(41)**
Segment assets	**2,860**	**6,024**	**(1,858)**	**7,026**
Segment liabilities	**1,816**	**3,689**	**(815)**	**4,690**
Capital expenditures	64	-	-	64

Geographical segments 2010

	Germany *in EUR 1,000*	Europe *in EUR 1,000*	Other regions *in EUR 1,000*	Elimi-nations *in EUR 1,000*	Consoli-dated *in EUR 1,000*
Revenue from external customers	7,771	832	-	-	8,603
Segment assets	2,860	6,024	-	(1,858)	7,026
Segment liabilities	**1,816**	**3,689**	**-**	**(815)**	**4,690**
Capital expenditures	64	-	-	-	64

Operating segments 2009

	IT services	Holding	Elimi-nations	Consoli-dation
	in EUR 1,000	*in EUR 1,000*	*in EUR 1,000*	*in EUR 1,000*
External revenues	11,109	-	-	11,109
Internal revenues	1	10	(11)	-
Total revenues	**11,110**	**10**	**(11)**	**11,109**
Cost of sales	4,761	-	-	4,761
Gross profit	**6,349**	**10**	**(11)**	**6,348**
Internal income	3	-	(3)	-
Total other income	**3**	**-**	**(3)**	**-**
Employee costs	4,425	-	-	4,425
Depreciation and amortisation	68	-	-	68
Other expenses	1,221	2	(14)	1,209
Total expenses	**5,714**	**2**	**(14)**	**5,702**
Operating result	**638**	**8**	**-**	**646**
Total finance result	(48)	(299)	-	(347)
Share of profit of equity invested investees	-	405	(405)	-
Income before income tax	**590**	**114**	**(405)**	**299**
Income tax	(185)	-	-	(185)
Income for the period	**405**	**114**	**(405)**	**114**
Attributable to:				
Equity holders of the company	405	114	(405)	114
Minority interests	-	-	-	-
Net income for the period	**405**	**114**	**(405)**	**114**
Segment assets	**4,527**	**7,776**	**(5,028)**	**7,275**
Segment liabilities	**1,712**	**5,399**	**(2,213)**	**4,898**
Capital expenditures	35	-	-	35
Impairment losses on intangibles	-	-	-	-

Geographical segments 2009

	Germany *in EUR 1,000*	Europe *in EUR 1,000*	Other regions *in EUR 1,000*	Elimi-nations *in EUR 1,000*	Consoli-dated *in EUR 1,000*
Revenue from external customers	9,621	1,488	-	-	11,109
Segment assets	4,527	7,776	-	(5,028)	7,275
Segment liabilities	1,712	5,399	-	(2,213)	4,898
Capital expenditures	35	-	-	-	35

7. Acquisition of subsidiaries and non-controlling interests

Acquisition of non-controlling interest

Human Internet CONSULT AG

In 2010, the Group acquired an additional 7.4% interest in Human Internet CONSULT AG (HIC), increasing the Group's participation in HIC from 92.6% to 100%. HIC in turn is held by IT Competence Group N.V. (ITC), in which Navigator Equity Solutions SE holds a 81.32% participation.

As the participation of ITC in HIC has always been regarded as a 100% participation the financial obligations due to the purchase instalments were stated in the other liabilities. For that reason, no decrease in non-controlling interests and no additional goodwill had to be recognized.

Acquisition of participations

Power Economizer GmbH

On August 16, 2010, the Group acquired a 68.89% interest in Power Economizer GmbH, a company active in the fields of e-energy and Home Automation.

Power Economizer GmbH is active in the smart grid (intelligent power networks) business where the company offers soft- and hardware solutions for the control and regulation of HVAC-technologies (heating, ventilation and air conditioning) and power consumption.

The participation was acquired from Nanoventure N.V. for a purchase price of EUR 1.00.

Unfortunately, the management expectations in the development of this specific market segment and the performance of the business were not reflected by reality.

As at December 31, 2010 the management decided, to sell the participation in the first half year of 2011.

Therefore the participation was classified as a held for sale asset which is valued at cost price.

8. Revenue

	2010 *in EUR 1,000*	2009 *in EUR 1,000*
Revenue from sale of services	8,603	11,109
	8,603	**11,109**

9. Personnel expenses

	2010 *in EUR 1,000*	2009 *in EUR 1,000*
Wages and salaries	3,075	3,711
Social security contributions	524	583
Other personnel expenses	98	131
	3,697	**4,425**

The number of employees was as of 31 December:

	2010	2009
IT Competence Group N.V.	0	0
Human Internet CONSULT AG	62	63
BEAM IT CONSULT GmbH	1	1
	63	**64**

10. Other expenses

	2010 *in EUR 1,000*	2009 *in EUR 1,000*
Consulting, legal and accounting expenses	134	138
Selling and marketing costs	397	505
Housing costs	125	132
Car expenses	422	393
Other	197	41
	1,275	**1,209**

11. Net finance result

	2010	2009
	in EUR 1,000	*in EUR 1,000*
Interest income	3	1
Interest expenses	(254)	(257)
Currency differences	54	14
Other	2	(105)
Net finance result	**(195)**	**(347)**

12. Taxation

Income Tax

Major components of income tax expenses for the years ended December 31, are:

	2010	2009
	in EUR 1,000	*in EUR 1,000*
Current income tax	165	233
Prior year adjustment	101	-
Income tax recognised in the income statement	**266**	**185**

Reconciliation of effective tax rate

		2010		2009
				Restated
	%	*EUR 1,000*	*%*	*EUR 1,000*
Profit for the year		(41)		114
Total income tax expense		266		185
Income before tax		**225**		**299**
Income tax using the Company's domestic tax rate	25.3%	57	25.4%	76
Effect of tax rates in foreign jurisdictions*	11.1%	25	9.4	28
Current year losses for which no deferred tax asset was recognised	36.9%	83	(27.1%)	81
Under (over) provided in prior years	44.9%	101	-	-
Income tax recognized in income statement	**118.2%**	**266**	**61.9%**	**185**

* The subsidiaries acquired operate in a tax jurisdiction with higher tax rates

The tax rate used for the 2010 and 2009 reconciliations on the previous page is the corporate tax rate of 25.5% (2009: 25.5%) payable by entities in The Netherlands. The results of investments are tax exempt when the participation exceeds 5% of the number of shares.

As from 2007, tax losses in The Netherlands can be carried forward for a maximum of nine years. At December 31, 2010, a total amount of EUR 998k (2009: EUR 675k) losses can be compensated with profits in the future (on a consolidated level).

Due to the uncertain time frame of compensation (mainly due to the tax exemption regulations in The Netherlands) no deferred tax asset has been recognized.

13. Tangible fixed assets

The movement in tangible fixed assets is as follows:

	2010 *in EUR 1,000*	2009 *in EUR 1,000*
Cost		
Balance at January 1	1,049	1,021
Additions	64	35
Disposal sale participation	-	-
Disposals	(9)	(7)
Balance as at December 31	1,104	1,049
Accumulated depreciation		
Balance at January 1	913	845
Disposal sale participation	-	-
Depreciation expenses	56	68
Balance as at December 31	969	913
Carrying amount	**135**	**136**

The carrying amount consists of:

	2010 *in EUR 1,000*	2009 *in EUR 1,000*
Machinery	63	47
Office equipment	54	71
Software	8	10
Other	10	8
Carrying amount	**135**	**136**

14. Intangible assets

The movement in Intangible assets is as follows:

	Note	2010 *in EUR 1,000*	2009 *in EUR 1,000*
Cost			
Balance at January 1		4,777	4,777
Acquisition of non-controlling interest		-	-
Disposal participation	7	-	-
Balance at December 31		**4,777**	**4,777**
Amortisation and impairment losses			
Balance at January 1		-	-
Amortisation for the year		-	-
Balance at December 31		**-**	**-**
Carrying amount		**4,777**	**4,777**

The carrying amount consists of:

	2010 *in EUR 1,000*	2009 *in EUR 1,000*
Goodwill	4,777	4,777
Carrying amount	**4,777**	**4,777**

Impairment testing for cash-generating units containing goodwill

For the purpose of impairment testing, goodwill is allocated to the Group's cash generating units which represent the lowest level within the Group at which the goodwill is monitored for internal management purposes.

In 2007, additional purchase costs of EUR 65k were added to the goodwill for the participation in Human Internet CONSULT AG, which comprises a total of EUR 4,764k. Also in 2007, the purchase of BEAM IT GmbH involved an amount of goodwill of EUR 13k.

The aggregate carrying amounts to goodwill allocated to each unit are as follows:

	2010 *in EUR 1,000*	2009 *in EUR 1,000*
Human Internet CONSULT	4,764	4,764
BEAM IT CONSULT GmbH	13	13
IT servicess business	**4,777**	**4,777**

Referring to the goodwill allocated to the cash generating units an impairment test has been performed. Value in use was determined by discounting the future cash flows generated from the continuing use of the unit and was based on the flow to equity approach as follows:

Human Internet CONSULT AG (HIC):

Cash flows were projected based on actual operating results, a five year plan and a terminal value after five years.

Costs of equity were calculated using the CAPM (Capital Asset Pricing Model) approach. The following assumptions were made:

Risk free rate: Based on the current term structure of interest rates the yield on a German Bundesanleihe (treasury bond) maturing in 10 years is approximately 3.21% (February 10th 2011). This rate is commonly used as a substitute for the risk free rate of return on the German market.

Market premium: According to general practice we use a current market premium for Germany of 5.5% (geometric mean).

Beta: As the company is not listed on a stock exchange, the company's betas cannot directly be derived from stock prices. Alternatively, we established a peer group comprising representative German IT Service companies. Subsequently, we delevered the individual peer group constituent's beta and adjusted the delevered mean beta derived from the peer group for Human Internet CONSULT's individual leverage and tax rate as of beginning 2011. The resulting actual market extracted beta amounts to 0.69.

Size premium: In order to account for differences in size and thus to reflect higher systematic risk we add a size premium of 2%.

The market extracted CAPM cost of equity thus results to a total of 8.67%. In order to account for the instability of important input variables to build up adequate cost of equity we decide to use a higher cost of capital since the input variables are biased by the currently increasing market prices of shares resulting in a lower volatility as compared to downturn periods. So, we used 10.16% as an adequate pre-tax discount rate.

As a result of the test no impairment turned out to be necessary.

Sensitivity to changes in assumptions

Following the impairment test of Human Internet CONSULT AG, the estimated recoverable amount exceeds the carrying amount by approximately EUR 3.57m (2009: EUR 2.0m).

Management has identified two key assumptions for which there could be a reasonably possible change that could cause the carrying amount to exceed the recoverable amount. The table below shows the amount that these two assumptions are required to change individually in order for the estimated recoverable amount to be equal to the carrying amount.

Human Internet CONSULT AG

	Change in assumptions required for carrying amount to equal the recoverable amount 2010
Pre-tax discount rate	from 10.16% to 19.27%
Budgeted Sales growth (for each of the upcoming five years)	from 10% to -15.0%

15. Inventories

	2010	2009
	in EUR 1,000	*in EUR 1,000*
Work in progress	85	51
Total inventories	**85**	**51**

16. Trade and other receivables

	2010	2009
	in EUR 1,000	*in EUR 1,000*
Trade receivables	753	752
Less: allowance for doubtful accounts	(7)	(29)
	746	723
Other receivables	207	227
Total trade and other receivables	**953**	**950**

The other receivables include mainly taxes and social securities (EUR 44k) in 2010 (2009: EUR 98k).

17. Cash and cash equivalents

	2010	2009
	in EUR 1,000	*in EUR 1,000*
Bank accounts	933	1,242
Total cash and cash equivalents	**933**	**1,242**

All cash is immediately available.

18. Capital and reserves

Share capital

	2010	2009
Issued ordinary shares of EUR 0.02 each as at 31 December 2010 and of EUR 0.02 each as at 31 December 2009 respectively	93,750k	93,750k
thereof outstanding shares	484,844k	84,844k
thereof treasury shares	8,906k	8,906k

Ordinary shares

All shares rank equally with regard to the Company's residual assets.

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. In respect of the Company's shares that are held by the Group, all rights are suspended until those shares are reissued.

At 31 December 2010, the authorised share capital comprised 7.5 million ordinary shares (2009: 7.5 million) with a par value of EUR 0.02 (2009: EUR 0.02). All issued shares are fully paid.

Treasury shares

The reserve for the Company's treasury shares comprises the cost of the Company's shares held by the Group. At 31 December 2010, The Group held 8,906,251 of the Company's shares (2009: 8,906,251).

Dividends

The Group has not declared any dividends for the year ended 31 December 2010 (2009: EUR 0).

The Management Board has also not proposed any dividends after the respective reporting date so far.

19. Earnings per share

Basic earnings per share

The calculation of basic earnings per share at 31 December 2010 was based on the profit attributable to ordinary shareholders of EUR -41k (2009: EUR 114k) and a weighted average number of ordinary shares outstanding of 84,843,750 (2009: 84,843,750), calculated as follows:

Profit attributable to ordinary shareholders

	2010 *in EUR 1,000*	2009 *in EUR 1,000*
Result for the year	(41)	114
Profit attributable to ordinary shareholders	**(41)**	**114**

Weighted average number of ordinary shares

	2010	2009
Issued ordinary shares as at 1 January	84,843,750	84,843,750
Weighted average number of ordinary shares as at 31 December	**84,843,750**	**84,843,750**
Basic earnings per ordinary share (in euros)	**(0.000)**	**0.001**

Diluted earnings per share

The calculation of diluted earnings per share at 31 December 2010 was based on profit attributable to ordinary shareholders of EUR 165k (2009: EUR 236k) and a weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares of 102,500,000 (2009: 102,500,000), calculated as follows:

Profit attributable to ordinary shareholders (diluted)

	2010 *in EUR 1,000*	2009 *in EUR 1,000*
Result for the year	(41)	114
Interest on convertible loan	164	164
Tax adjustment/tax shield on interest (25.5% corporate tax)	(42)	(42)
Profit attributable to ordinary shareholders (diluted)	**81**	**236**

Diluted weighted average number of ordinary shares

	2010	2009
Basic weighted average number of ordinary shares	84,843,750	84,843,750

as at December 31		
Diluted potential option rights from convertible loan	102,500,000	102,500,000
Weighted average number of ordinary shares (diluted)	**187,343,750**	**187,343,750**
Diluted earnings per ordinary share (in euros)	**0.000**	**0.001**

20. Loans from group companies

	2010	**2009**
	in EUR 1,000	*in EUR 1,000*
Convertible loan Navigator Equity Solutions SE	2,050	2,050
Several loans Navigator Equity Solutions SE	170	160
	2,220	**2,210**

Subordinated loans

Terms and debt repayment schedule of loans denominated in euros

	Repayment > =1 less 2 years	**Repayment > = 2 Less 5 years**	**2010**	**2009**
	in EUR 1,000	*in EUR 1,000*	*in EUR 1,000*	*in EUR 1,000*
Loans from group companies				
8% Convertible loan Navigator Equity Solutions SE	-	2,050	2,050	2,050
8% Several loans Navigator Equity Solutions SE	-	170	170	160
	-	**2,220**	**2,220**	**2,210**

The convertible loan was issued in November 2006, bears an interest of 8% and is completely subscribed by Navigator Equity Solutions SE. Each individual bond had an issue price of EUR 0.10 (26,600,000 bonds) and an exchange ratio of 1 : 1 (one bond = one share). After the share split, which took place in July 2007, the exchange ratio was adjusted to 1 : 5 (one bond = 5 shares). In 2007 an amount of EUR 580k of the convertible loan has been repaid in two instalments of EUR 300k and EUR 250k to Navigator Equity Solutions SE. The other loan arrangements bear an interest of 8%.

21. Trade payables and other liabilities

	2010 *in EUR 1,000*	2009 *in EUR 1,000*
Trade payables due to related parties	18	-
Trade payables	819	803
Group	756	619
Taxes and social securities	51	70
Other liabilities	668	1,121
	2,312	**2,613**

22. Financial Instruments

Credit risk

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2010 *in EUR 1,000*	2009 *in EUR 1,000*
Loans and receivables	921	950
Cash and cash equivalents	933	1,242
	1,854	**2,192**

The maximum exposure to credit risk for loans and receivables at the reporting date by business segments was:

	2010 *in EUR 1,000*	2009 *in EUR 1,000*
Human Internet CONSULT AG	863	932
BEAM IT CONSULT GmbH	50	11
Holding (including eliminations)	8	7
	921	**950**

Impairment losses

The aging of loans and receivables at the reporting date was:

	Gross 2010 *in EUR 1,000*	Impairment 2010 *in EUR 1,000*
Not past due	924	7
Past due less than one year	4	-
Past due more than one year	-	-
	928	**7**

The allowance for doubtful accounts was as follows:

	2010 *in EUR 1,000*	2009 *in EUR 1,000*
Allowance for doubtful accounts	7	29

Based on historic default rates, the Group believes that no further impairment allowance is necessary in respect of trade receivables not past due.

Liquidity risk

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements. Bank loans are not mentioned as the Group has no liabilities to banks:

31 December 2010	**Carrying amount** *in EUR 1,000*	Contractual cash flows *in EUR 1,000*	< 1 year *in EUR 1,000*	> 1 year *in EUR 1,000*
Loans from group companies	**2,220**	2,575	-	2,575
Accounts payable	**837**	837	837	-
Payables group	**804**	804	48	756
Taxes and social securities	**51**	51	51	-
Corporate tax	**158**	158	158	-
Other liabilities and accruals	**620**	620	620	-
	4,690	**5,045**	**1,714**	**3,331**

December 31, 2009	**Carrying amount** *in EUR 1,000*	Contractual cash flows *in EUR 1,000*	< 1 year *in EUR 1,000*	> 1 year *in EUR 1,000*
Loans from group companies	**2,210**	2,386	2,386	-
				-
Accounts payable	**803**	803	803	-
Payables group	**619**	619	619	-
Taxes and social securities	**70**	70	70	-
Corporate tax	**75**	75	75	-
Other liabilities and accruals	**1,121**	1,121	1,121	-
	4,898	**5,074**	**5,074**	**-**

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

Currency risk

The Group had only a minor exposure to foreign currency risk as nearly all investments of the Group as well as all sales, purchases and borrowings are made in the euro (EUR) with the exception of one customer of Human Internet CONSULT AG (HIC) in the USA.

The exposure to currency risk deriving from transactions with that one customer of HIC was:

	2010 *in EUR 1,000*	**2009** *in EUR 1,000*
Trade receivables	-	43
Trade payables	-	-
	-	**43**

The following significant exchange rates applied during the year:

	Average rate 2010	**Reporting date 2010**
US Dollar	0.7569 EUR	0.75455 EUR

Interest rate risk

Interest rate risk derives mainly from intercompany loans which Navigator Equity Solutions SE has granted to group companies (see below "fair values"). The Group has engaged in a single SWAP transaction at HIC to manage market risks incurred in factoring transactions. Except of this contract the Group has no liabilities to banks. For these reasons, no sensitivity analysis has been performed.

Fair values

The fair value of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are as follows:

	31 December 2010 Carrying amount in EUR 1,000	31 December 2010 Fair value in EUR 1,000	31 December 2009 Carrying amount in EUR 1,000	31 December 2009 Fair value in EUR 1,000
Loans and receivables	921	921	950	950
Cash and cash equivalents	933	933	1,242	1,242
Financial assets	**1,854**	**1,854**	**2,192**	**2,192**
Loans from group companies	2,220	2,220	2,210	2,210
Accounts payable	837	837	803	803
Payables group	804	804	619	619
Taxes and social securities	51	51	70	70
Corporate tax	158	158	75	75
Other liabilities and accruals	620	620	1,121	1,121
Financial liabilities	**4,690**	**4,690**	**4,898**	**4,898**
	6,544	**6,544**	**7,090**	**7,090**

Loans and receivables and other payables have a remaining life of less than one year, the notional amount is deemed to reflect the fair value. The basis for determining fair values is disclosed in note 4.

23. Operating Leases

The Group leases a number of office facilities, cars and office equipment.

The yearly rental obligations for office facilities are EUR 125k (2009: EUR 132k).

The yearly lease obligations for cars are EUR 182k (2009: EUR 182k). Car leases typically run for a period of 2 years.

24. Commitments and contingencies

Contingencies

A few legal actions and claims are pending or may be asserted in the future against the Group from litigations and claims incident to the ordinary course of business. Related risks have been analysed as to likelihood of occurrence. Although the outcome of these matters cannot always be ascertained with precision, management believes that no material liabilities are likely to result.

25. Related parties

The parties affiliated to the Group, of which IT Competence Group N.V. is the parent company, may be divided into: Members of the Supervisory Board, Members of the Board of Directors and other related parties.

Members of the Supervisory Board

As at December 31, 2010 the three members of the Supervisory Board did not control any of the voting shares of the Company. For the remuneration of the members of the Supervisory Board, reference is made to note 40 Emoluments of directors and supervisory directors‘.

Members of the Board of Directors

As at December 31, 2010, the two members of the Board of Directors controlled 11.5% of the voting shares of the Company, thereof Gunther Adelhelm 10.5% and Marc Schlindwein 1.0%.

The Group has neither granted any loans to directors and executive officers nor has it, in addition to their salaries, provided non-cash benefits to directors and executive officers in 2010.

Directors were not remunerated by the Company but instead by Human Internet CONSULT AG in their role as members of HIC’s Board of Directors. Directors’ total remuneration approximated EUR 164k in 2010 and EUR 238k in 2009 respectively. The remuneration of the Group’s Board members is determined by the Supervisory Board. For Mr. Gunther Adelhelm the remuneration package comprises a basic salary and a performance related bonus. The bonus is determined by the Supervisory Board. For Mr. Marc Schlindwein, the remuneration package comprises a fixed monthly amount which he charges to HIC.

The remuneration of the directors is disclosed in note 40.

Other related parties

The following related parties can be identified:

Navigator Equity Solutions SE	ultimate parent company
Augmentum Consult GmbH:	relative of management
Service Dienstleistungen und Leasing GbR:	relative of management
Fokus Personalservice GmbH:	relative of management
ACON Actienbank AG	relative of management

The following transactions were carried out with related parties:

	2010	2009
	in EUR 1,000	*in EUR 1,000*
Purchase of service		
Augmentum Consult GmbH: consultancy fee	58	48
Service Dienstleistungen und Leasing GbR: leasing facilities	26	29
Fokus Personalservice GmbH	202	-
Navigator Equity Solutions SE	7	-
ACON Actienbank AG	4	-
Interest paid		
Navigator Equity Solutions SE	177	176

Payables

Navigator Equity Solutions SE (loans and convertible)	2,220	2,210
Navigator Equity Solutions SE (interests and services)	774	619

In line with the Company's overall business strategy, IT Competence Group N.V. focuses on a close cooperation with its investments and customers. The reason for this close cooperation is to ensure the best possible development and a successful realisation of transactions

26. Group entities

Significant subsidiaries

Name	Legally seated in	Country of incorporation	Trade register	Ownership interest in %
Human Internet CONSULT AG	Ludwigsburg, Germany	Germany	Stuttgart, HRB 311187	100.00
BEAM IT CONSULT GmbH	Ludwigsburg, Germany	Germany	Stuttgart, HRB 723466	100.00

27. Subsequent events

On February 02, 2011, IT Competence Group N.V. announced the appointment of Mr Markus Solibieda as an additional member of company's management board and its new CEO. Mr Solibieda is strengthening the company's management team as its speaker and will be responsible for spurring its growth strategy.

On, May 28, 2011 – IT Competence Group N.V. announced the acquisitions of the IT-services provider net on AG.
Net on AG is a leading provider of network management solutions including design, implementation and operation of IT infrastructures for large and medium-sized companies. The company was founded in 1997 and caters with 45 employees at five office locations to a broad range of customers such as Bitburger Brauerei or LBS Rheinland-Pfalz.

Company statement of financial position at 31 December 2010 (in thousands of euros)

(before profit appropriation)

	Notes	2010	2009
ASSETS			
Non current assets			
Intangible assets	*30*	4,777	4,777
Financial fixed assets	*31*	1,213	2,815
		5,990	7,592
Current assets			
Other financial assets	*32*	-	90
Other receivables	*33*	73	89
Cash and cash equivalents	*34*	15	5
		88	184
Total assets		**6,078**	**7,776**
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	*35*	1,875	1,875
Treasury shares	*35*	(178)	(178)
Retained earnings	*35*	680	566
Undistributed result	*35*	(41)	114
Total equity		2,336	2,377
Non-current liabilities			
Provisions	*36*	54	-
Loans from group companies	*37*	2,220	-
		2,274	**-**
Current liabilities			
Loans from group companies	*37*	453	4,100
Accounts payable		65	38
Other liabilities	*38*	950	1,261
Current tax liability			
		1,468	5,399
Total equity and liabilities		**6,078**	**7,776**

Company income statement for the year ended 31 December 2010 (in thousands of euros)

	2010	2009
Share in result from participating interests	229	405
Other result after taxation	(270)	(291)
	(41)	**114**

Notes to the Company financial statements for the year ended 31 December 2010

28. General

The separate financial statements are part of the 2010 financial statements of IT Competence Group N.V. (the 'Company'). The description of the Company's activities and the Group structure, as included in the notes to the consolidated financial statements, also apply to the Company financial statements. The Company financial statements form part of the financial statements 2010 of IT Competence Group N.V.

With reference to the separate profit and loss account of the company, use has been made of the exemption pursuant to Section 402 of Book 2 of the Netherlands Civil Code.

29. Principles for the measurement of assets and liabilities and the determination of the result

For setting the principles for the recognition and measurement of assets and liabilities and determination of the result for its separate financial statements, the Company makes use of the option provided in section 2:362 (8) of the Netherlands Civil Code. This means that the principles for the recognition and measurement of assets and liabilities and determination of the result (hereinafter referred to as principles for recognition and measurement) of the separate financial statements of the Company are the same as those applied for the consolidated EU-IFRS financial statements. Participating interests, over which significant influence is exercised, are stated against net equity value (with separate presentation of the goodwill component). These consolidated EU-IFRS financial statements are prepared according to the standards laid down by the International Accounting Standards Board and adopted by the European Union (hereinafter referred to as EU-IFRS). A description of these principles may be found in the notes to the consolidated financial statement.

The share in the result of participating interests consists of the share of the Company in the result of these participating interests. Results on transactions, where the transfer of assets and liabilities between the Company and its participating interests and mutually between participating interests themselves, are not incorporated insofar as they can be deemed to be unrealised.

30. Intangible assets

The movement in Intangible assets is as follows:

	2010 *in EUR 1,000*	2009 *in EUR 1,000*
Cost		
Balance at January 1	4,777	4,777
Additional amounts recognised from business combinations	-	-
Additions	-	-
Balance at December 31	**4,777**	**4,777**
Amortisation and impairment losses		
Balance at January 1	-	-
Amortisation for the year	-	-
Carrying amount	**4,777**	**4,777**

The carrying amount consists of:

	2010 *in EUR 1,000*	2009 *in EUR 1,000*
Goodwill	4,777	4,777
Carrying amount	**4,777**	**4,777**

31. Financial fixed assets

	2010 *in EUR 1,000*	2009 *in EUR 1,000*
Participating interests in group companies	1,044	2,815
	1,044	**2,815**

The movements of the financial fixed assets can be shown as follows:

	Participating interests in group companies *in EUR 1,000*
Balance as at 1 January 2009	**2,410**
Share in result of participating interest	405
Balance as at 1 January 2010	**2,815**
Adjustment negative equity Beam 2009	116
Dividend payment Human Internet CONSULT AG	(2,000)
Share in result of participating interest	282
Balance as at 31 December 2010	**1,213**

The subsidiary BEAM IT Consult GmbH, of which IT Competence Group N.V. owns 100%,, had a negative equity of EUR 169k as of 31 December 2010 (2009: EUR -116k), which is recognized as a provision for subsidiaries with negative equity value. The result of BEAM for 2010 was EUR -53k (2009: EUR -26k).

On April 26, 2010, the Annual General Meeting of Human Internet CONSULT AG resolved upon the payment of a dividend in the amount of EUR 2m to its shareholders.

The Company, Laan van Diepenvoorde 3, 5582 LA Waalre, The Netherlands, is the holding company and has the following financial interests:

Consolidated subsidiaries	**Legally seated in**	**Country of incorporation**	**share in issued capital in %**
Human Internet CONSULT AG	Ludwigsburg, Germany	Germany	**100.0**
BEAM IT CONSULT GmbH	Ludwigsburg, Germany	Germany	**100.0**

32. Other financial assets

The movement is as follows:

	2010 *in EUR 1,000*	**2009** *in EUR 1,000*
Loans carried at amortised cost		

Loans to group companies	-	90
Book value at December 31	**-**	**90**

The EUR 90k is composed of two issued loans against BEAM which were due to the negative equity of the subsidiary impaired to nil in 2010.

33. Other receivables

	2010 *in EUR 1,000*	**2009** *in EUR 1,000*
Trade receivables	4	-
Group companies	3	30
Corporation tax	62	52
Taxes and social securities	4	7
	73	**89**

In 2010 IT Competence Group N.V. had interest receivables against BEAM in the amount of EUR 25k, which were impaired due to the negative equity of the subsidiary.

34. Cash and cash equivalents

Cash and cash equivalents comprise of several bank balances. The carrying amount of these assets approximates their fair value.

35. Shareholder's Equity

in EUR 1,000	Share Capital	Retained earnings	Treasury shares	Undistrib-uted result	Total equity
Balance at 1 January 2009	**1,875**	**325**	**(178)**	**241**	**2,263**
Appropriation of the result	-	241	-	(241)	-
Net profit of the year	-	-	-	114	114
Balance at December 31, 2009	**1,875**	**566**	**(178)**	**114**	**2,377**
Appropriation of the result	-	114	-	(114)	-
Net loss of the year	-	-	-	(41)	(41)
Balance at December 31, 2010	**1,875**	**680**	**(178)**	**(41)**	**2,336**

Share capital

	2010	**2009**
Issued ordinary shares of EUR 0.02 (2009: EUR 0.02) each as at 31 December	93,750k	93,750k
thereof outstanding shares	84,844k	84,844k
thereof treasury shares	8,906k	8,906k

At 31 December 2010, the authorised share capital comprised 93.75 million ordinary shares (2009: 93.75 million with a par value of EUR 0.02) with a par value of EUR 0.02. All issued shares are fully paid.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Treasury shares

The costs for the buyback of 8,906,251 shares from Mr. Bert Mayr subsequent to his resignation from the management board of ITC with a total volume of EUR 178k conducted in 2008 have been recognised in treasury shares. At December 31, 2010, the Group held 8,906,251 of the Company's shares.

36. Provisions

in EUR 1,000	**2010**
Balance at 1 January 2010	**-**
Changes in equity value BEAM IT Consult GmbH	169
Impaired receivables BEAM IT Consult GmbH	(115)
Balance at 31 December 2010	**54**

Due to the negative equity of BEAM IT Consult GmbH in the amount of EUR -169k as at 31 December 2010 the company decided to impair all outstanding receivables against BEAM and to built up a provision for subsidiaries with negative equity value in the amount of EUR 54k.

37. Loans from group companies

	2010 *in EUR 1,000*	**2009** *in EUR 1,000*
Convertible loan Navigator Equity Solutions SE	2,050	2,050
Several loans Navigator Equity Solutions SE	170	160
Several loans Human Internet CONSULT AG	453	1,890
	2,673	**4,100**

Subordinated loans and other interest-bearing borrowings
Terms and debt repayment schedule of loans denominated in euros

	Repayment >=1 and <= 2 years *in EUR 1,000*	**Repayment <= 1 year** *in EUR 1,000*	**2010** *in EUR 1,000*	**2009** *in EUR 1,000*
Loans from group companies				
8% Convertible loan Navigator Equity Solutions SE	2,050	-	2,050	2,050
8% Several loans Navigator Equity Solutions SE	170	-	170	160
Several loans Human Internet CONSULT AG	-	453	453	1,890
	2,220	**453**	**2,673**	**4,100**

The convertible loan was issued in November 2006, bears an interest of 8% and is completely subscribed by Navigator Equity Solutions SE. Each individual bond had an issue price of EUR 0.10 (26,600,000 bonds) and an exchange ratio of 1 : 1 (one bond = one share). After the share split, which took place in July 2007, the exchange ratio was adjusted to 1 : 5 (one bond = 5 shares). In 2007 an amount of EUR 580k of the convertible loan has been repaid to Navigator Equity Solutions SE. The other loan arrangements from Navigator Equity Solutions SE bear an interest of 8%. In August 2010 and September 2010 Human Internet CONSULT AG issued a loan to IT Competence Group N.V. The loan agreements bear an interest of 4% (EUR 450k) and 3.75% (EUR 3k).

38. Other liabilities

	2010 *in EUR 1,000*	2009 *in EUR 1,000*
Group companies	932	790
Corporate tax	-	4
Other liabilities and accruals	18	467
	950	**1,261**

39. Commitments and contingencies

Operating leases

The Company has no operating leases.

Commitments and contingencies

Although no legal actions and claims are pending against the Company they may be pending or may be asserted in the future against the Company from litigations and claims incident to the ordinary course of business. Related risks have been analysed as to likelihood of occurrence. Although the outcome of these matters cannot always be ascertained with precision, management believes that no material liabilities are likely to result.

40. Average number of employees

The Company employed no person in 2010 (2009: no person).

41. Emoluments of directors and supervisory directors

Remuneration directors

Directors did not receive any remuneration by ITC but were instead remunerated by Human Internet CONSULT AG.

Director's total remuneration approximated EUR 164k in 2010 and EUR 238k in 2009 respectively. The remuneration of the board members is determined by the Supervisory Board. The remuneration package comprises a basic salary and a performance related bonus. The bonuses are determined by the Supervisory Board.

	2010 *in EUR 1,000*	2009 *in EUR 1,000*
Gunther Adelhelm		
Salaries	96	180
Bonus	10	10
	106	**190**
Marc Schlindwein		
Salaries	58	48
Bonus	-	-
	58	**48**

Remuneration supervisory board

In 2010 as well as in 2009 there was no remuneration for the Members of the Supervisory Board.

	2010 *in EUR 1,000*	2009 *in EUR 1,000*
Robert Kaess	-	-
Florian Pfingsten	-	-
Michael Hasenstab	-	-

Shares held by Members of the Board of Management and Supervisory Board:

Shares held by Members of the Board of Management as at December 31, 2010:

Gunther Adelhelm	Member of the Board of Directors	8,906,250
Marc Schlindwein	Member of the Board of Directors	937,500

As at December 31, 2010, the two members of the Board of Directors controlled 11.5% of the voting shares of the Company, thereof Gunther Adelhelm 10.5% and Marc Schlindwein 1.0%.

42. Additional information

With reference to Section 2:382a(1) and (2) of the Netherlands Civil Code, the following fees for the financial year have been charged by KPMG Accountants N.V. to the Company: EUR 7k (2009: EUR 7k).

Waalre, 10 June 2011

The Management Board:	The Supervisory Board:
Markus Solibieda	Robert Kaess
Gunther Adelhelm	Dr. Florian Pfingsten
Marc Schlindwein	Dr. Michael Hasenstab

Other information

Independent auditor's report

To: General Meeting of Shareholders of IT Competence Group N.V.

Report on the financial statements

We have audited the accompanying financial statements 2010 of IT Competence Group N.V., Waalre. The financial statements include the consolidated financial statements and the company financial statements. The consolidated financial statements comprise the consolidated statement of financial position as at 31 December 2010, the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of the significant accounting policies and other explanatory information. The company financial statements comprise the company statement of financial position as at 31 December 2010, the company profit and loss account for the year then ended and the notes, comprising a summary of the accounting policies and other explanatory information.

Management's responsibility

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code, and for the preparation of the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion with respect to the consolidated financial statements

In our opinion, the consolidated financial statements give a true and fair view of the financial position of IT Competence Group N.V. as at 31 December 2010 and of its result and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code.

Opinion with respect to the company financial statements

In our opinion, the company financial statements give a true and fair view of the financial position of IT Competence Group N.V. as at 31 December 2010 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements

Pursuant to the legal requirements under Section 2:393 sub 5 at e and f of the Dutch Civil Code, we have no deficiencies to report as a result of our examination whether the management report, to the extent we can assess, has been prepared in accordance with part 9 of Book 2 of this Code, and if the information as required under Section 2:392 sub 1 at b - h has been annexed. Further, we report that the management report, to the extent we can assess, is consistent with the financial statements as required by Section 2:391 sub 4 of the Dutch Civil Code.

Eindhoven, 10 June 2011

KPMG ACCOUNTANTS N.V.

L.J.J.M. Vale RA

Provisions in the Articles of Association governing the appropriation of profit

According to article 15 of the company's Articles of Association, the profit is at the disposal of the General Meeting of Shareholders, which can allocate the profit wholly or partly to the general or specific reserve funds.

The Company can only make payments to the shareholders and other parties entitled to the distributable profit for the amount the shareholders' equity is greater than the paid-up and called-up part of the capital plus the legally required reserves.

Article 15 of the company's Articles of Association:

1.Following the prior approval of the supervisory board, the management board is authorised to reserve such a portion of the profit as it deems necessary, with due observance of the obligation to retain statutory reserves, or any reserves prescribed by these articles of association.

2. Any profit remaining following the reserves retained as referred to in the foregoing paragraph is placed at the disposal of the general meeting. A resolution to distribute profits in cash shall be adopted by the general meeting of shareholders by more than half of the votes cast. A resolution to distribute profits in kind shall be adopted by the general meeting of shareholders with a majority of at least ninety-five percent (95%) of the votes cast, provided that at least fifty percent (50%) of the issued share capital is represented at the general meeting of shareholders.

3. Other than by adoption of the annual accounts, the general meeting is authorised to cancel the reserves, either wholly or in part, at the proposal of the management board, which proposal is approved by the supervisory board. A deficit may only be offset against the reserves prescribed by law to the extent that this is allowed by law.

4. The company may only pay out to shareholders and other entitled parties any profit subject to distribution to the extent that its equity capital exceeds the amount of the paid and called-up portion of the capital plus the reserves that must be retained by law or in accordance with the articles of association.

5. In calculating the profit distribution, shares that the company holds in its own capital do not count and no profit is distributed in respect of them except if and to the extent that the shares in question are encumbered with a right of usufruct established by the company at the time they were acquired. These shares do not confer any right to a share in the balance left after winding-up either.

Proposal for result appropriation

The General Meeting of Shareholders will be asked to approve the following appropriation of the 2010 income after tax: an amount of EUR 41k to be deducted from shareholders equity. The result after taxes for 2010 is included under the undistributed results.

Subsidiaries

The Company has significant subsidiaries in Germany. We refer to note 26.

Subsequent events

For subsequent events we refer to note 27.

Imprint

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