



BRAIN FORCE HOLDING AG

Report on the 1st quarter

2012/13

BRAIN FORCE Key Data

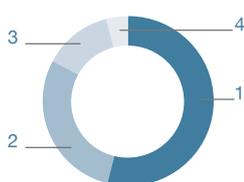
Earnings Data		10-12/2012	10-12/2011	Change in %	2011/12
Revenues	<i>in € million</i>	21.56	19.81	+9	76.01
EBITDA	<i>in € million</i>	0.96	-0.38	>100	2.06
Operating EBITDA ¹⁾	<i>in € million</i>	0.96	0.30	>100	2.74
EBIT	<i>in € million</i>	0.48	-0.91	>100	0.11
Operating EBIT ¹⁾	<i>in € million</i>	0.48	-0.23	>100	0.79
Profit before tax	<i>in € million</i>	0.10	-1.73	>100	-2.21
Profit after tax	<i>in € million</i>	0.07	-1.56	>100	-2.13
Earnings per share	<i>in €</i>	0.00	-0.10	+100	-0.14
Adjusted earnings per share ¹⁾	<i>in €</i>	0.00	-0.07	+100	-0.11
Investments	<i>in € million</i>	0.33	0.34	-3	1.63
Acquisitions	<i>in € million</i>	0.00	0.00	-	0.00
Employees ²⁾		766	774	-1	752

Balance Sheet Data		31.12.2012	30.09.2012	Change in %
Equity	<i>in € million</i>	16.67	16.61	0
Net debt	<i>in € million</i>	5.20	5.98	-13
Capital employed	<i>in € million</i>	21.84	22.56	-3
Working capital ³⁾	<i>in € million</i>	0.12	0.41	-71
Balance sheet total	<i>in € million</i>	48.40	46.42	+4
Equity ratio	<i>in %</i>	34	36	-
Gearing	<i>in %</i>	31	36	-
Employees ⁴⁾		768	756	+2

Stock Exchange Data ⁵⁾		10-12/2012	2011/12	Change in %
Share price high	<i>in €</i>	0.74	0.95	-22
Share price low	<i>in €</i>	0.58	0.55	+5
Share price at end of period	<i>in €</i>	0.60	0.65	-8
Shares outstanding (weighted)	<i>in 1,000</i>	15,387	15,387	0
Market capitalization at end of period	<i>in € million</i>	9.23	9.99	-8

Segments 10-12/2012 <i>in € million</i>	Germany		Italy		The Netherlands		Central East Europe		Holding and Other	
Revenues (consolidated)	11.61	(+16%)	6.36	(+9%)	2.78	(-13%)	0.81	(+1%)	0	-
Operating EBITDA ¹⁾	0.67	(>100%)	0.37	(+9%)	0.05	(-78%)	0.14	(>100%)	-0.28	(+56%)
Operating EBIT ¹⁾	0.53	(>100%)	0.20	(+16%)	-0.08	(>100%)	0.12	(>100%)	-0.29	(+56%)
Investments	0.09	(+54%)	0.11	(+6%)	0.10	(-36%)	0.03	(>100%)	0.00	(-100%)
Employees ²⁾	350	(-1%)	299	(+5%)	84	(-15%)	29	(+2%)	4	(-41%)

Revenues by regions



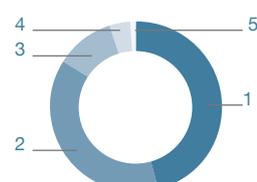
- 1 Germany 54%
- 2 Italy 29%
- 3 The Netherlands 13%
- 4 Central East Europe 4%

Operating EBITDA by regions



- 1 Germany 54%
- 2 Italy 30%
- 3 The Netherlands 4%
- 4 Central East Europe 12%

Employees by segments



- 1 Germany 46%
- 2 Italy 38%
- 3 The Netherlands 11%
- 4 Central East Europe 4%
- 5 Holding and Other 1%

1) Adjusted for restructuring costs
 2) Average number of employees (salaried and free-lance) during the period
 3) Inventories + trade receivables + current other receivables - trade payables - current other payables
 4) Number of employees at reporting date
 5) Vienna Stock Exchange

Chief Executive's Review



Dr. Michael Hofer, CEO of
BRAIN FORCE HOLDING AG

Dear Shareholders, Ladies and Gentlemen,

In the first quarter of fiscal year 2012/13, revenues of the BRAIN FORCE Group rose by 9% compared to the previous year. With this development and a revenue increase of 7% in fiscal year 2011/12, the Group was able to significantly increase revenues also in the first three months of the current fiscal year. The order volume, which amounted to € 22.62 m as at the balance sheet date of December 31, 2012, has also grown and indicates a further increase.

Increase in Group revenues by 9% compared to previous year's level

Financial performance has also developed satisfactorily. The BRAIN FORCE Group's EBITDA rose by € 1.34 m to € 0.96 m and the Group's EBIT increased by € 1.38 m to € 0.48 m. Adjusted for restructuring costs of € 0.68 m recorded in the previous year, operating EBITDA increased by € 0.66 m and operating EBIT rose by € 0.71 m.

Increase of the BRAIN FORCE Group's EBITDA and EBIT by € 1.34 m and € 1.38 m

Group revenues increased by € 1.75 m to € 21.56 m in the first quarter, with revenues having considerably increased, particularly in Germany and Italy. The Central East Europe region recorded a weak growth and the revenue in the Netherlands fell in comparison with the previous year. Every operating group company generated a positive operating result before depreciation/amortization, interest and tax (EBITDA). Operating EBIT showed consistently encouraging growth rates, except for the Netherlands where a utilization of staff below average still affects the result.

All group companies generate positive EBITDA

In Germany (54% of Group revenues), revenues increased by 16% to € 11.61 m in the first three months. The Professional Services business in Munich, Cologne and Langen/Frankfurt could considerably increase the results in our biggest market. The network performance channel activities also improved, whereas revenues in the FINAS segment almost stagnated compared to the same quarter of the previous year. Germany's EBITDA turned from € -0.35 m to € +0.67 m in the first quarter, and EBIT rose from € -0.54 m to € +0.53 m. In the first quarter of the previous year, restructuring costs incurred in the FINAS segment amounted to € 0.68 m. Adjusted for restructuring costs, operating EBITDA improved by € 0.34 m, and operating EBIT increased by € 0.39 m. All divisions of the German group companies record positive operating results, with particular emphasis on the increased results of the Professional Services business at the Langen/Frankfurt office and the FINAS segment, which was successfully restructured in the previous year.

Germany: Revenue increase of 16% and improved financial performance

In Italy (29% of Group revenues), revenues increased by 9% to € 6.36 m in the first quarter. Our Italian group company still holds its ground in a difficult market environment and managed to significantly improve its results. EBITDA rose in line with revenues by 9% to € 0.37 m, EBIT increased by 16% to € 0.20 m. The

Italy: Revenue increase of 9% and improved financial performance

continuing improved utilization of staff is essential to improve financial performance. According to estimates of market research companies, the economic environment in Italy will remain difficult.

Revenues fell by 13% in the Netherlands

In the first three months, revenues in the Netherlands (13% of Group revenues) fell by 13% to € 2.78 m. After revenues more than doubled in the first quarter of the previous year and rose by 18% in fiscal year 2011/12, revenues fell by € 0.41 m in the first quarter of the current fiscal year. EBITDA also decreased from € +0.22 m to € +0.05 m and EBIT fell from € +0.10 m to € -0.08 m. This development results from a utilization of staff below average and a decline in licence sales. In addition to further savings to be realized, the focus in the following quarters will be on generating a quantifiable number of orders with the existing pipeline.

Central East Europe achieved increase in EBITDA and EBIT

In the first quarter, revenues generated in the Central East Europe region (4% of Group revenues) rose from € 0.80 m to € 0.81 m. With revenues nearly unchanged, EBITDA increased from € 0.04 m to € 0.14 m and EBIT augmented from € 0.02 m to € 0.12 m. The increase in revenues is due to network performance channel activities and the cost reductions in the ERP business.

Reduction of holding costs by € 0.36 m in the first quarter

With an EBIT of € -0.29 m, the Holding and Other segment reported a decrease in expenses of about € 0.36 m or 56% compared to the previous year. In the first quarter of the previous year, expenses of € 0.22 m from the premature termination of a management board agreement were included in this segment. Adjusted to take into account these non-recurrent costs, the Holding and Other segment still reports a decrease in expenses of 33% compared to the previous year.

For fiscal year 2012/13 the BRAIN FORCE Group aims to achieve operational growth with regard to revenues and operating results. The figures presented for the first quarter confirm the expectations with an increase in revenues of 9% and an increase of the BRAIN FORCE Group's EBIT by € 1.38 m to € 0.48 m. We will do everything in our power to pursue this positive development also in the upcoming quarters with ongoing intensive market cultivation.

Yours



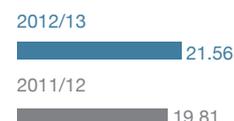
Michael Hofer

Management Report

Financial performance in the first three months (October to December 2012)

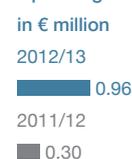
In the first three months of fiscal year 2012/13, the BRAIN FORCE Group generated revenues in the amount of € 21.56 m, which means an increase by 9% compared to the same period of the previous year. Due to this development and after a revenue increase of 7% in fiscal year 2011/12, the Group was able to record a growth rate above the overall economic performance also in the first quarter of the current fiscal year. In particular, the operative divisions in Germany and Italy managed to record significant revenue growth during this period.

Revenues 3M in € million



Operating EBITDA rose from € +0.30 m to € +0.96 m; the operating result (EBIT) improved from € -0.23 m to € +0.48 m. The improvement of the operating results is attributable, on the one hand, to the increase in revenues and, on the other hand, to a reduction of costs with regard to sales and administration. In addition, restructuring costs of € 0.68 m were incurred in the first quarter of the past fiscal year, which resulted in an EBITDA of the Group of € -0.38 m and an EBIT of € -0.91 m. Taking into account these restructuring costs which were incurred in the past fiscal year, the BRAIN FORCE Group's EBITDA improved by € 1.34 m to € 0.96 m and the Group's EBIT by € 1.38 m to € 0.48 m in the first quarter.

Operating EBITDA 3M in € million



At € 0.20 m, the financial results remain almost unchanged compared to the previous year's results. The vast majority of financing costs relate to the long-term fixed-interest loan. The result from associates amounted to € -0.17 m compared to € -0.61 m in the previous year, of which € -0.16 m (prior year: € -0.16 m) is related to the transfer of profit and loss from SolveDirect Service Management GmbH and € -0.01 m to the disposal of the 25% participation in CONSULTING CUBE s.r.l., Italy. The prior year figure comprised € -0.45 m as a result of the diluting effect due to capital increases with regard to the 3TS Cisco Growth Funds in order to finance SolveDirect's expansion.

At equity result rose from € -0.61 m to € -0.17 m

In total, the Group generated a profit before tax of € +0.10 m compared to € -1.73 m in the previous year. The profit after tax (including non-controlling interests) amounted to € +0.07 m compared to € -1.56 m in the previous year.

Net profit increase by € 1.63 m due to improved operating performance

Earnings per share amounted to € 0.00 (prior year: € -0.10). Adjusted for the restructuring costs incurred in the first quarter of the past fiscal year, earnings per share amounted to € -0.07.

Cash flow

In the first three months, the gross cash flow from continuing operations improved by € 1.38 m and, at € +0.93 m, was above the previous year's level of € -0.45m, which is primarily attributable to a significant improvement of results. The cash flow from operating activities (operating cash flow) turned from € -0.92 m to € +1.07 m in the first three months. In addition to improved earnings, a development particularly due to the absence of the restructuring costs in contrast to the previous year, another improvement of the working capital affected the cash flow positively.

Operating cash flow improved by € 1.99 m compared to the previous year

The cash flow from investing activities amounted to € -0.29 m (prior year: € -0.33 m). Capital expenditures on property, plant and equipment and other intangible assets amounted to € 0.33 m and, compared to the previous year, have slightly decreased by € 0.01 m. Own work capitalized in the first three months in the amount of € 0.21 m is offset against scheduled amortization/depreciation amounting to € 0.28 m. Payments received for the disposal of non-current assets amounted to € 0.04 m (prior year: € 0.01 m).

Capital expenditures slightly decreased

The cash flow from financing activities amounted to € +0.62 m (prior year: € +0.49 m) and reflects the increase in current financial liabilities. Non-current financial liabilities in the amount of € 9.99 m are due in March 2014. As at December 31, 2012, the BRAIN FORCE Group held cash and cash equivalents in the

Free cash flow improved by € 2.03 m to € +0.78 m

amount of € 7.02 m (September 30, 2012: € 5.62 m) and net debt amounted to € 5.20 m (September 30, 2012: € 5.98 m). The free cash flow was € +0.78 m in the first three months, compared to the previous year in which the free cash flow reported a negative result of € -1.25 m.

Financial position and financial performance

Equity in € million

31.12.2012

16.67

30.9.2012

16.61

Net debt in € million

31.12.2012

5.20

30.9.2012

5.98

As at December 31, 2012, the Group's balance sheet total amounted to € 48.40 m, the Group's equity totalled € 16.67 m. In comparison with the values as at September 30, 2012, the equity ratio fell from 36% to 34%, which is solely attributable to the increase of the balance sheet total by 4%.

The working capital (inventories plus trade receivables plus other current receivables less trade payables and other current liabilities) decreased in the first three months from € 0.41 m to € 0.12 m, which mainly results from increased trade payables (€ +1.35 m) and simultaneously increased trade receivables (€ +0.75 m) and other assets (€ +0.30 m). In comparison with the previous year's level as at December 31 (€ 7.10 m), the net debt as at December 31, 2012 in the amount of € 5.20 m fell by € 1.90 m and was € 0.78 m lower than the net debt as at September 30, 2012 (€ 5.98 m). The Group's gearing (equity to net debt) as at December 31, 2012, amounted to 31% compared to 36% as at September 30, 2012.

Research and Development

New tools and online applications extend the offer

Several business tools were released in **Germany** for the financial sector. The tool "Pflege-Check" enables the consultation of customers for private long-term care. If desired, the analysing sector of the tool can be integrated to the own website as an additional counseling component. The "Riester-Förderrechner" analyses and determines the funding of voluntary private pensions. Moreover, from February the online consultation applications "Finanzanalyse Center", "Vorsorgeoptimierung", "Gesundheitsversorgung" and "Risikoabsicherung" are available with the new smart FINAS operating concept.

Infrastructure Framework updated, Workspace Manager for virtual desktop-infrastructures optimized

The Netherlands: the "Infrastructure Framework" now supports the latest versions of Citrix XenApp, Microsoft System Center Configuration Manager 2012 and Microsoft Remote Desktop. The "Packaging Robot" supports the packaging of App-V packages. By that, the tool is perfectly suited for Application Lifecycle Projects with customers, who uses both the latest technologies for application virtualization as well as traditional MSI packaging. The product "Workspace Manager" was further optimized for the use in virtual desktop infrastructures.

Integration of the modules SD.Calendar, SD.Dialog, SD.Survey; start of the development Service Grid

In **Austria** SolveDirect has successfully completed the project Collaborative Service Management with the integration of the modules "SD.Calendar", "SD.Dialog" and "SD.Survey" to the releases 5.0 and 5.6. Subsequently, the development of the IT service management solution "Service Grid" was started, which anticipate with Predictive SLAs Service bottlenecks and increases the integration of the partners involved.

Add-ons for Microsoft Dynamics extended, Participation in Beta Program for Dynamics AX 2012

Our subsidiary in **Italy** has updated the add-ons for Microsoft Dynamics AX and NAV within the maintenance and extended its industry-specific functionalities for the steel industry. Furthermore, BRAIN FORCE Italy took part in the Private Beta Program for Dynamics AX 2012 and tested the latest version within a customer's project. The switch of our own ERP software "Visual Space", based on .Net-Technology, was continued. The BRAIN FORCE solution "NG4" for stock trading was functionally extended to improve the future marketing.

Human Resources

As at December 31, 2012 BRAIN FORCE group employed a total of 520 salaried employees, a number that corresponds to previous year's level. In addition 248 people were employed on a freelance basis for various customer projects, which is an increase of 4% compared to the previous year; in Italy the total number of staff increased by 9%. The number of employees in the Central East European region increased slightly by 3% whereas it remained almost unchanged in Germany compared to the prior year. In the Netherlands the number of employees decreased by 14%.

As at December 31, 2012 four people were employed in the segment Holding and Other, compared to seven employees at December 31, 2011.

In total BRAIN FORCE employed 768 people at the reporting date which is an increase by 1% or 10 employees compared to December 31, 2011.

The breakdown of staff (salaried and subcontractors) by geographical segment as at December 31, 2012 is as follows:

- ▶ Germany: 351 (prior year: 350 / chg.: 0%)
- ▶ Italy: 303 (prior year: 279 / chg.: +9%)
- ▶ Netherlands: 81 (prior year: 94 / chg.: - 14%)
- ▶ Central East Europe: 29 (prior year: 28 / chg.: +3%)
- ▶ Holding and Other: 4 (prior year: 7 / chg.: -41%)

On average the staff of BRAIN FORCE in the period of October 2012 to December 2012 comprised 519 salaried employees (prior year: 528) and 247 people employed on a freelance basis (prior year: 246). The total average number of employees therefore amounted to 766, a decrease of 1% compared to the prior-year period.

Order Intake

As at December 31, 2012 the order volume at group level amounted to € 22.62 million, a solid increase of 29% compared to previous year.

A considerable increase in the order intake of 15% respectively 9 % was also achieved in the Netherlands and Italy. Especially to be emphasized is the 40% increase of the order intake in Germany. This boost can be attributed to the extension and increase of a significant long-term customer contract. In the Central East European region the order intake decreased by approximately 36% compared to December 31, 2011.

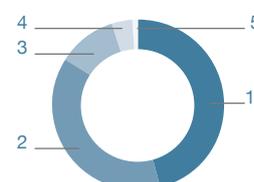
On December 31, 2012 the order volume attributable to the regions are as follows:

- ▶ Germany accounts for orders of € 15.72 million (December 31, 2011: € 11.20 million)
- ▶ Italy has an order intake of € 4.24 million (December 31, 2011: € 3.88 million)
- ▶ The Netherlands have orders on hand of € 2.42 million (December 31, 2011: € 2.11 million)
- ▶ Central East Europe accounts for orders of € 0.24 million (December 31, 2011: € 0.38 million).

Outlook

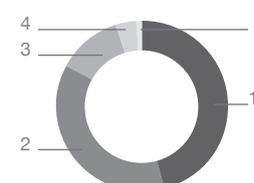
Despite the European Commission's forecasts, which do not expect a noticeable improvement of the economy for 2013, the BRAIN FORCE Group focuses on operational growth with regard to revenues and operating results for fiscal year 2012/13.

Employees by segments
31.12.2012



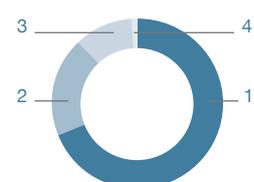
- 1 Germany 46%
- 2 Italy 38%
- 3 The Netherlands 11%
- 4 Central East Europe 4%
- 5 Holding and Other 1%

31.12.2011



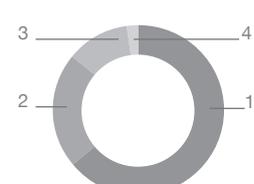
- 1 Germany 46%
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Order intake by regions
31.12.2012



- 1 Germany 69%
- 2 Italy 19%
- 3 The Netherlands 11%
- 4 Central East Europe 1%

31.12.2011



- 1 Germany 64%
- 2 Italy 22%
- 3 The Netherlands 12%
- 4 Central East Europe 2%

Revenue growth and improved
operating result as goals for
2012/13

An increase of 9% in the first quarter underscored the focus on revenue growth. Furthermore, the BRAIN FORCE Group's EBITDA and EBIT could be significantly increased by € 1.34 m and € 1.38 m, respectively. This is the fourth consecutive quarter in which a positive operating result has been achieved since the second quarter of the past fiscal year 2011/12.

Due to the apparent stabilisation of the operational business, we expect – from today's perspective – to reach the goals defined for fiscal year 2012/13.

Quarterly Report (IFRS) of the BRAIN FORCE Group

Group Income Statement in EUR	10-12/2012	10-12/2011
Revenues	21,556,142	19,809,320
Cost of sales	-17,306,701	-15,694,747
Gross profit	4,249,441	4,114,573
Selling expenses	-1,777,309	-2,034,054
Administrative expenses	-1,901,772	-2,226,231
Other operating expenses	-94,539	-152,814
Other operating income	0	69,215
Operating profit/loss before non-recurring items (Operating EBIT)	475,821	-229,311
Restructuring costs	0	-677,207
Operating profit/loss after non-recurring items (EBIT)	475,821	-906,518
Financial income	797	923
Financial expenses	-203,886	-212,525
Financial result	-203,089	-211,602
Result from associates	-174,657	-612,563
Profit/loss before tax	98,075	-1,730,683
Income taxes	-30,151	172,166
Profit/loss after tax	67,924	-1,558,517
thereof owners of the parent	49,128	-1,558,517
thereof non-controlling interests	18,796	0
Earnings per share - undiluted and diluted	0.00	-0.10
Earnings per share adjusted ¹⁾	0.00	-0.07

Statement of Comprehensive Income in EUR	10-12/2012	10-12/2011
Profit/loss after tax	67,924	-1,558,517
Changes in fair values of available-for-sale financial assets	-347	-502
Currency translation differences	-542	-2,300
Other result	-889	-2,802
Comprehensive income/loss	67,035	-1,561,319
thereof owners of the parent	48,239	-1,561,319
thereof non-controlling interests	18,796	0

Key ratios by segment 10-12/2012 in EUR	Germany	Italy	The Netherlands	Central East Europe	Holding and Others	Group
Revenues (consolidated)	11,607,640	6,361,443	2,775,889	811,170	0	21,556,142
EBITDA	669,809	372,480	48,970	143,178	-278,370	956,067
Operating EBITDA ¹⁾	669,809	372,480	48,970	143,178	-278,370	956,067
Depreciation and amortization	-143,658	-172,321	-125,454	-28,078	-10,735	-480,246
Operating EBIT ¹⁾	526,151	200,159	-76,484	115,100	-289,105	475,821
Restructuring costs	0	0	0	0	0	0
EBIT	526,151	200,159	-76,484	115,100	-289,105	475,821

Key ratios by segment 10-12/2011 in EUR	Germany	Italy	The Netherlands	Central East Europe	Holding and Others	Group
Revenues (consolidated)	9,981,527	5,835,983	3,187,088	804,722	0	19,809,320
EBITDA	-352,383	342,727	222,283	43,011	-638,006	-382,368
Operating EBITDA ¹⁾	324,824	342,727	222,283	43,011	-638,006	294,839
Depreciation and amortization	-190,484	-170,412	-125,724	-21,758	-15,772	-524,150
Operating EBIT ¹⁾	134,340	172,315	96,559	21,253	-653,778	-229,311
Restructuring costs	-677,207	0	0	0	0	-677,207
EBIT	-542,867	172,315	96,559	21,253	-653,778	-906,518

1) Adjusted for restructuring costs

Cash-flow Statement in EUR	10-12/2012	10-12/2011
Profit / loss before tax	98,075	-1,730,683
Depreciation and amortization	480,246	524,150
Financial result	203,089	211,602
Result from associates	174,657	612,563
Gains / losses from the disposal of property, plant and equipment and intangible assets	-9,729	3,305
Changes in non-current provisions and liabilities	-12,931	-71,688
Gross cash flow of continuing operations	933,407	-450,751
Changes in inventories	-17,487	6,924
Changes in trade receivables	-753,013	653,390
Changes in trade payables	1,352,992	-558,615
Changes in other current assets and liabilities	-219,551	-282,334
Currency translation differences	-543	-2,053
Net interest paid	-203,089	-211,272
Income taxes paid	-20,143	-75,664
Cash flow from operating activities of continuing operations	1,072,573	-920,375
Investments in property, plant and equipment and other intangible assets	-326,232	-337,178
Sale of property, plant and equipment and other intangible assets	32,972	9,187
Sale of shares of associates	1,000	0
Cash flow from investing activities of continuing operations	-292,260	-327,991
Increase in financial liabilities	641,214	554,730
Repayment of financial liabilities and bank overdrafts	-18,827	-60,514
Dividends paid	0	0
Capital increase	0	0
Purchase of treasury shares	0	0
Cash flow from financing activities of continuing operations	622,387	494,216
Change in cash and cash equivalents from continuing operations	1,402,700	-754,150
Change in cash and cash equivalents from discontinued operation	0	-30,492
Cash and cash equivalents at the beginning of the period	5,617,472	5,806,602
Change in cash and cash equivalents	1,402,700	-784,642
Cash and cash equivalents at the end of the period	7,020,172	5,021,960

Balance Sheet in EUR	31.12.2012	30.09.2012
ASSETS		
Property, plant and equipment	1,214,198	1,266,011
Goodwill	11,001,151	11,001,151
Other intangible assets	2,483,547	2,608,991
Investments in associates	7,227,345	7,403,002
Financial assets	33,783	34,129
Other receivables and assets	84,537	87,223
Deferred tax assets	1,587,538	1,721,279
Non-current assets	23,632,099	24,121,786
Inventories	392,208	374,721
Trade receivables	14,676,242	13,923,229
Other receivables and assets	2,684,033	2,385,615
Cash and cash equivalents	7,020,172	5,617,472
Current assets	24,772,655	22,301,037
Total assets	48,404,754	46,422,823
EQUITY AND LIABILITIES		
Share capital	15,386,742	15,386,742
Reserves	7,354,594	7,355,483
Retained earnings	-6,101,644	-6,150,772
Owners of the parent	16,369,692	16,591,453
Non-controlling interests	34,180	15,384
Equity	16,673,872	16,606,837
Financial liabilities	9,986,936	9,984,257
Other liabilities	242,335	238,289
Provisions for post-employment benefits	1,300,600	1,317,577
Deferred tax liabilities	64,918	64,918
Non-current liabilities	11,594,789	11,605,041
Financial liabilities	2,236,687	1,616,979
Trade payables	9,591,700	8,238,708
Other liabilities	8,040,151	8,031,011
Income tax provisions	223,951	280,643
Other provisions	43,604	43,604
Current liabilities	20,136,093	18,210,945
Total equity and liabilities	48,404,754	46,422,823

Changes in equity in EUR	Owners of the parent				Non-controlling interests	Total equity
	Share capital	Share premium	Other reserves	Retained earnings		
Balance 1.10.2011	15,386,742	9,910,356	-310,677	-6,268,916	0	18,717,505
Comprehensive income 10-12/2011	0	0	-2,802	-1,558,517	0	-1,561,319
Balance 31.12.2011	15,386,742	9,910,356	-313,479	-7,827,433	0	17,156,186
Transfer of reserves	0	-2,240,068	0	2,240,068	0	0
Change in non-controlling interests	0	0	0	0	26,000	26,000
Comprehensive income 1-9/2012	0	0	-1,326	-563,407	-10,616	-575,349
Balance 30.09.2012	15,386,742	7,670,288	-314,805	-6,150,772	15,384	16,606,837
Comprehensive income 10-12/2012	0	0	-889	49,128	18,796	67,035
Balance 31.12.2012	15,386,742	7,670,288	-315,694	-6,101,644	34,180	16,673,872

Notes to the Accounts for the first quarter

Accounting and Measurement Principles

This interim report of BRAIN FORCE HOLDING AG as at December 31, 2012 has been prepared in accordance with the principles contained in the International Financial Reporting standards (IFRS), as stipulated in IAS 34, "Interim Financial Reporting". The accounting and measurement principles applied in preparing the consolidated financial statements presented in the annual report as at September 30, 2012 remain unchanged. For more information on accounting and measurement principles, we refer to the annual report and the consolidated financial statements as at September 30, 2012, which serve as the basis for this interim report.

Consolidated Group

All subsidiaries, including those companies in which BRAIN FORCE HOLDING AG directly or indirectly holds more than half of the voting rights or over which BRAIN FORCE exerts a controlling influence are included in the consolidated financial statements.

The consolidated group changed as follows compared to the reporting date of September 30, 2012: BRAIN FORCE S.p.A, Milano, Italy sold its 25% share in CONSULTING CUBE s.r.l., Bologna, Italy. CONSULTING CUBE s.r.l. was included at-equity in the consolidated financial statements in business year 2011/12. Consequently the consolidated financial statements as of December 31, 2012 include BRAIN FORCE HOLDING AG and 10 companies, thereof 8 foreign and 2 Austrian companies, which are fully consolidated. Additionally one company is included at-equity in the consolidated financial statements.

Comments on the Group Income Statement and Statement of Comprehensive Income

Group revenues increased by € 1.75 or 9% to 21.56 million compared to previous year's period. The operative EBITDA increased by € 0.66 to 0.96 million. The operating result (EBIT) improved from € -0.23 to +0.48 million. The first quarter of the previous year was burdened with restructuring costs in the amount of € 0.68 million. Therefore the group EBITDA rose from € -0.38 in 2011/12 to +0.96 million in the first quarter 2012/13 and the group EBIT increased from € -0.91 to +0.48 million.

The financial result amounts to € -0.20 million and is almost unchanged compared to previous year. The result from associated companies improved from € -0.61 to -0.17 million and can be attributed mainly to SolveDirect Service Management GmbH. The interest held in SolveDirect Service Management GmbH is still 53.16%.

The group result before taxes improved from € -1.73 to +0.10 million. The group result after taxes (including non-controlling interests) and the comprehensive income amounted to € +0.07 million in the first three months of 2012/13 compared to € -1.56 million in the previous year.

Segment Information

BRAIN FORCE HOLDING AG reports according to geographic segments in accordance with the management approach contained in the stipulations of IFRS 8. Segment earnings are reported before brand licensing costs and intercompany charges. Segment information is included in this interim report directly after the statement of comprehensive income.

Comments on the Cash Flow Statement

In the first three months the gross cash flow from continuing operations reached € +0.93 million and was therefore € 1.38 million above previous year's level of € -0.45 million. The cash flow from operating activities turned in the first three months from € -0.92 to +1.07 million. The considerable increase in results compared to previous year and a further improvement of the working capital had a positive effect.

The cash flow from investing activities amounted to € -0.29 million compared to € -0.33 million in the previous year. The cash flow from financing activities amounted to € 0.62 million and shows an increase of short-term financial liabilities, whereas financial liabilities increased by € 0.49 million in the previous year's period.

In the first quarter 2012/13 the free cash flow amounted to € +0.78 million, whereas it has been negative (€ -1.25 million) in the previous year mainly due to the negative result and the restructuring expenses.

Comments on the Balance Sheet

At the reporting date the balance sheet total was € 48.40 million, which is an increase by 4% compared to September 30, 2012. Non-current assets made up 49% of total assets and amounted to € 23.63 million on the reporting date compared to € 24.12 million on September 30, 2012. Tangible assets and other intangible assets decreased by € 0.18 million. Capital expenditures on property, plant and equipment and other intangible assets totaling € 0.33 million in the reporting period (of which € 0.21 million comprised product development costs) were in contrast to scheduled depreciation of € 0.48 million. The company's goodwill remains at the same level with € 11.00 million. Investments in associated companies declined by € 0.18 million to € 7.23 million. As at December 31, 2012 the investment in SolveDirect was 53.16% (September 30, 2012: 53.16%).

Current assets comprised 51% of total assets on the reporting date of December 31, 2012. Trade receivables increased by about 5% from the comparable figure on September 30, 2012 to € 14.68 million or 30% of total assets. Cash and cash equivalents increased by 25% compared to the reporting date of September 30, 2012 and amounted to € 7.02 million.

IFRS-based equity as at December 31, 2012 was € 16.67 million, corresponding to an equity ratio of 34%. Non-current liabilities were reduced only slightly from € 11.61 million to € 11.59 million.

Current liabilities rose by 11% to € 20.14 million, which can be mainly attributed to an increase in trade payables by € 1.35 to 9.59 million and an increase of financial liabilities by € 0.62 to 2.24 million. Other current liabilities amount to € 8.04 million and are almost unchanged compared to previous year. The working capital at the reporting date was € 0.12 million, which is a decrease by € 0.29 million compared to September 30, 2012. Net debt on the reporting date, December 31, 2012 was € 5.20 million, which equals a decrease by € 0.78 million in comparison to September 30, 2012.

As at December 31, 2012 the number of outstanding shares was 15,386,742; authorized capital amounted to € 7,693,371.

Audit Waiver for the Interim Report

This interim report as at December 31, 2012 was neither audited nor subject to an auditor's review.

Other Disclosures

On October 5, 2012 BRAIN FORCE HOLDING AG announced the extension of the management contract with Dr. Michael Hofer until December 31, 2013.

Vienna, February 15, 2013

The Management Board



Michael Hofer



Hannes Griesser

Financial Calendar

Date	Event
February 15, 2013	Report on the first quarter of 2012/13
February 28, 2013	15th Annual General Meeting
March 5, 2013	Ex-dividenden day
March 7, 2013	Dividend payment day
May 15, 2013	Six months report 2012/13
August 14, 2013	Report on the first three quarters of 2012/13
December 19, 2013	Annual Report 2012/13 and Annual Financial Report

Information on the Company and the BRAIN FORCE Share

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