Financial Report for the period 1 January - 30 June 2010

Synchronizing Healthcare

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Key Events and Figures

+ Second quarter revenue of EUR 76.7 million, up from EUR 75.1 million in the second quarter of 2009
+ Operating profit (EBITDA) of EUR 15.8 million, an increase of 20 percent compared to the same period of 2009
+ Operating margin increase from 18 percent to 21 percent
+ Cash net income per share of 20 Cent, an increase of 24 percent compared to the same period of 2009
+ New contracts signed with health insurance companies in Germany
+ Accelerating development in USA
+ Guidance for 2010 reaffirmed

EUR ´000	Q2/2010	Q2/2009	Change	H1/2010	H1/2009	Change
Revenue	76,736	75,135	2%	145,987	139,649	5%
EBITDA	15,750	13,163	20%	28,304	25,075	13%
marge in %	21	18		19	18	
EBITA	14,436	12,165	19%	25,864	23,015	12%
margin in %	19	16		18	16	
EPS (EUR)	0.08	0.04	76%	0.11	0.07	58%
Cash net income (EUR)*	10,069	8,145		17,584	15,465	
Cash net income per share (EUR)	0.20	0.16	24%	0.35	0.31	14%
Cash flow from operating activities	2,621	10,743		33.600	26,699	
Cash flow from investing activities	-3,760	-7,210		-18,649	-21,078	
of which equity acquisitions	0	-364		-7,943	-6,859	
Number of shares outstanding (´000)	50,196	50,487		50,196	50,301	
Net debt	112,991	107,131		112,991	107,131	

*Cash net income: net income before minority interests plus amortization on intangible assets except amortization on in-house capitalized software.

Management report

FINANCIAL REVIEW

Unless stated otherwise, all figures in the management report refer to the second quarter of 2010 and 2009 respectively, i.e. the three month period 01.04 – 30.06 (Q2).

Revenue

Revenue in the second quarter of 2010 was EUR 76.7 million compared to EUR 75.1 million in the same period last year. This represents an increase of 2 percent. Acquisitions and divestitures give a net growth contribution of 2 percent and organic growth was 0 percent (-1 percent at constant exchange rates). The low organic growth rate is influenced by one-off deliveries of third party hardware and software within Hospital Information Systems (HIS) that drove revenue to unusually high levels in the second quarter last year.

In the HPS segment, revenue was EUR 60.5 million compared to EUR 57.5 million in the second quarter of 2009. Ambulatory Information Systems (AIS) grew 18 percent of which 10 percent is organic growth at constant exchange rates. Changes to the AIS business model in Germany make up 4 out of the 10 percent real organic growth rate, and the remaining organic growth primarily stems from new value-added products and services sold to existing customers.

Within Hospital Information Systems (HIS) the year-on-year contraction was 16 percent going from the second quarter of 2009 to the second quarter of 2010. This is explained by the unusual level of hardware and equipment revenue within HIS during the second quarter last year. The contract with the Vienna Hospital Association (KAV) and other key projects are proceeding as planned. However, the relatively slow market for add-on projects and new clients experienced during the first 3 months of 2010 has continued also into the second quarter.

HPS revenue development (including acquisitions and exchange rate effects):

EUR m	Q2/2010	Q2/2009	Change	H1/2010	H1/2009	Change
Ambulatory Information Systems	42.6	36.1	18%	81.7	68.4	19%
Hospital Information Systems	17.9	21.4	-16%	34.1	36.5	-7%
SUM	60.5	57.5	5%	115.8	104.9	10%

Growth from acquisitions and divestitures in HPS resulted from the first-time consolidated / divested revenue of the following entities:

EUR m	First-time revenue Q2 2010
Innomed	2.5
Fimesan / SMI / Microcosmos	1.2
HC Advance AB (divestiture)	-1.5
Other	0.1
SUM	2.2

Revenue from Innomed Gesellschaft für medizinische Softwareanwendungen GmbH, Austria is for the period 01.01.2010 – 30.06.2010.

In the HCS segment, revenue was EUR 16.1 million compared to EUR 16.5 million in the second quarter of 2009. This represents a decrease of 2 percent. Revenue in Communication & Data contracted 9 percent, from EUR 8.5 million in the second quarter of 2009 to EUR 7.7 million in the second quarter of 2010. This is now a relatively stable revenue level expected to continue for the remainder of 2010.

The business volume in Workflow & Decision Support grew 5 percent, from EUR 5.7 million in the second quarter 2009 to EUR 6.0 million in the second quarter this year. Deliveries of products and services to health insurance companies in Germany have begun to pick up and there is a good pipeline for additional implementations for the rest of 2010.

HCS revenue development (including acquisitions and exchange rate effects):

EUR m	Q2/2010	Q2/2009	Change	H1/2010	H1/2009	Change
Communication & Data	7.7	8.5	-9%	13.2	16.6	-20%
Workflow & Decision Support	6.0	5.7	5%	12.1	11.3	7%
Internet Service Provider	2.4	2.3	4%	4.7	4.7	0%
SUM	16.1	16.5	-2%	30.0	32.6	-8%

In the CHS segment, there was no revenue from third parties within vita-X during the second quarter of 2010. This represents no change from the second quarter of 2009. CompuGroup sold its shares (100 percent) in medi cine medienproductions GmbH effective 1 January 2010 which explains the decline in total CHS revenue compared to 2009.

Profit
Consolidated EBITDA amounted to EUR 15.8 million compared to EUR 13.2 million in the second quarter of 2009. This represents an increase of 20 percent. The corresponding operating margin increased from 18 percent in 2009 to 21 percent in 2010.

+ The gross margin for the second quarter of 2010 is 81 percent which is a normal level for CompuGroup and somewhat higher than the same period last year (77 percent). The relatively low gross margin in 2009 is explained by the unusual level of hardware and equipment revenue within HIS during the second quarter last year. The other segments (HCS and CHS) have only minor expenses for goods and services purchased.

+ Personnel expenses increased from EUR 34.3 million in the second quarter 2009 to EUR 36.8 million in the same period this year. This increase is attributable to new employees in companies acquired during 2009. Furthermore, a significant number of new employees have been hired during the first half of 2010 to prepare CompuGroup for expected growth in USA and other regions.

+ Other expenses decreased from EUR 11.7 million in the second quarter 2009 to EUR 11.4 million in 2010. The improved cost structure is related to restructuring and cost improvement initiatives done over the last 12-15 months, which compensates for the additional costs in companies acquired during 2009.

Depreciation of tangible fixed assets was EUR 1.3 million in the second quarter of 2010, up from EUR 1.0 in the same period last year. Amortization of intangible fixed assets went from EUR 7.0 million in the second quarter of 2009 to EUR 6.9 million in the second quarter of 2010.

Financial income increased from EUR 0.6 million in the second quarter of 2009 to EUR 0.7 million this year due to a somewhat larger cash position held this year. The financial expense of EUR 2.6 million during the second quarter of 2010 is composed of the following items:

EUR m	Q2/2010
Interest and expenses on debt	1.4
Interest and expenses on normal bank accounts and currency	0.5
Interest for purchase liabilities	0.3
Fair value evaluation of interest SWAP (non-cash)	0.4
SUM	2.6

After tax earnings came in at EUR 4.0 million in the second quarter of 2010, compared to EUR 2.1 million in the second quarter of 2009. The tax rate was 30 percent this year compared to 41 percent in the second quarter of 2009. The different tax rates are mostly due to non-cash changes in deferred tax assets and liabilities.

Cash net income increased from EUR 8.1 million in the second quarter 2009 to EUR 10.1 million in the second quarter 2010, corresponding to a cash net income per share of 20 Cent (Q2/2009: 16 Cent).

Cash flow
Cash flow from operating activities during the second quarter of 2010 was EUR 2.6 million compared to EUR 10.7 million in the second quarter of 2009. This development is mostly due to reversals of temporary working capital changes during the first quarter this year. Looking at the first 6 months together, the operating cash flow increased from EUR 26.7 million in 2009 to EUR 33.6 million this year.

Cash flow from investment activities during the second quarter of 2010 amounted to EUR -3.8 million compared to EUR -7.2 million in the same period last year. During the second quarter of 2010, CompuGroup's capital expenditure consisted of the following:

EUR m	Q2/2010
Capitalized in-house services and other intangible assets	1.9
Other property and equipment	1.3
Purchase of minority interest (23.8% of Noteworthy)	0.6
SUM	3.8

Cash flow from financing amounted to EUR -12.7 million during the second quarter of 2010 and was primarily incurred through a dividend distribution to shareholders.

Statement of financial position

Since the statement of financial position of 31.12.2009, total assets decreased by EUR 3.4 million to EUR 448.4 million. The largest changes to individual asset classes are a EUR 10.1 million increase in intangible assets and a EUR 10.2 million decrease in cash and cash equivalents. The increase in intangible assets mainly arises from the acquisition of Innomed Gesellschaft für medizinische Softwareanwendungen GmbH, Austria. For all other assets there are only minor changes during the first six months of 2010.

Group equity was EUR 181.1 million as at 30.06.2010, down from EUR 185.9 million as at 31.12.2009. The decrease in equity comes primarily from dividend distribution to shareholders (EUR 12.6 million), the addition of Group net income for the first six months of 2010 (EUR 5.6 million) and changes in equity from changes in currency exchange rates (EUR 3.0 million). The equity ratio has gone from 41 percent at the end of 2009 to 40 percent at the end of the second quarter of 2010.

For long-term liabilities there are only minor changes during 2010.

Under current liabilities, the changes from 31.12.2009 are related to the reduction of short-term debt (EUR – 15.8 million change), and increased pre-payments of software maintenance contracts balanced under other liabilities (EUR 16.7 million change).

Research and Development

Under IAS 38, development work on internally generated software must be capitalized if certain criteria are fulfilled. This generated EUR 1.5 million additional operating profit for the Group during the second quarter of 2010 (previous year EUR 1.5 million), less amortization and write-downs of EUR 0.9 million during the same period (previous year: EUR 0,8 million). Most of the capitalized software development expenses are accounted for by two projects, G3.HIS (new HIS system development) and G3.AIS (new AIS software generation). Upon completion, the software will be amortized based on its useful life.

OPERATIONAL REVIEW

CompuGroup is currently represented with offices and employees in 18 countries. According to internal figures, CompuGroup has software maintenance contracts in the HPS segment corresponding to approximately 226,000 healthcare professionals (doctors and dentists). Total reach across all segments is estimated at approximately 360,000 healthcare professionals.

The Group had an average of 2,745 employees during the second quarter of 2010 (previous year: 2,762). As at 30.06.2010, the total number of employees in group companies was 2,749. Personnel expenses during the second quarter of 2010 was EUR 36.8 million (previous year: 34.3 million) consists mainly of salaries, social security contributions and related expenses. In addition, variable performance-based pay may be granted to senior executives and sales staff.

The following sections describe the main operational developments during the second quarter of 2010.

Stabilized situation in HCS Communication & Data

In the financial report for the first quarter 2010 the changing landscape for HCS Communication & Data business in Germany was described, changes which led to the slow beginning of this business area during the first 3 months of 2010. As was announced at that time, the bookings for the subsequent quarters were significantly stronger and this drove Communication & Data revenue up to EUR 7.7 million in the second quarter of 2010. This is now a relatively stable revenue level expected to continue for the remainder of 2010. The bookings for the next 2 quarters are currently at EUR 7.2 million and EUR 7.0 million for the 3rd and 4th quarter respectively. For the full year, Communication & Data revenue is expected to decline 10-20 percent in 2010 relative to 2009.

New contracts signed with health insurance companies in Germany

CompuGroup continues to develop its business relationship with health insurance funds in Germany. One example is the product “Smart Exchange” - a decision support system to safely and systematically improve measures to drive higher levels of generic substitution and to save care costs without sacrificing care quality. Smart Exchange is especially well adapted to statutory health insurance companies without family doctor contracts (HzV) as well as to private health insurance companies. Following the successful first implementation of Smart Exchange during the first quarter of 2010, which covered a total population of about 2 million people, CompuGroup has signed two new contracts during the second quarter covering an additional population of about 7 million people. On top of this here is a good pipeline of potential additional Smart Exchange contracts expected to be signed in the coming quarters. The business model of Smart Exchange is based on a fixed and variable component which will contribute to growing revenue within Workflow & Decision Support in the coming period together with the expanding user community.

The two existing diabetes management pilots, including the AV+ pilot with AOK Hessen that has been operating since 2007, have continued unchanged during the first six months of 2010. No new contracts were signed during the second quarter of 2010 but there is still a good pipeline for additional diabetes management contracts both in new regions and with new health insurance companies.

In total, a positive trend within Workflow & Decision Support is expected in the second half of 2010.

Accelerating development in USA
The American Recovery and Reinvestment Act of 2009 (ARRA) was signed into law by President Obama on February 17, 2009. ARRA includes more than USD 20 billion for healthcare information technology under the Health Information Technology for Economic and Clinical Health (HITECH) Act. Under the HITECH stimulus package, up to USD 44,000 (Medicare) or USD 65,000 (Medicaid) in extra incentive payments over a five-year period will be available to physicians who demonstrate „meaningful use" of a certified EHR.

With the final "meaningful use" rules published by CMS (Centers for Medicare & Medicaid Services) and ONC (Office of the National Coordinator for Health IT) in July 2010 yet another important milestone was reached to accelerate EHR adoption in the United States based on the HITECH stimulus.

CompuGroup (through Noteworthy Medical Systems) is currently an IT supplier to approximately 5,000 doctors in the United States, out of a total number of office-based doctors of approximately 625,000. During the first six months of 2010, Noteworthy has significantly increased sales personnel and software development resources to ensure the ability to address the market and to meet all technical requirements. These initiatives combined with early adopting doctors beginning to place orders based in the HITECH stimulus drove revenue in Noteworthy 46 percent higher in the second quarter of 2010 compared to the same period in 2009. Based on order bookings and feedback from doctors so far, a continued increase in business volume is expected during the second half of 2010.

100 percent ownership of Noteworthy
Effective March 25th 2010, CompuGroup acquired all outstanding shares of Noteworthy Medical Systems, Inc. by merging Noteworthy with a fully owned subsidiary of CompuGroup. In this process, the former minority shareholders of Noteworthy were offered a cash consideration for their shares. A group of these shareholders have filed a lawsuit with a dissenting opinion about the valuation of Noteworthy in the merger, and the price for these shares will now be settled through a legal process.

Acquisition of Innomed GmbH, Austria
Effective 18 June 2010, all agreed conditions precedent in the purchase contract concluded on 17 November 2009 was fulfilled. CompuGROUP CEE GmbH acquired 70.3 percent of the shares in Innomed Gesellschaft für medizinische Softwareanwendungen GmbH, Wiener Neudorf for EUR 9.3 million. Innomed has 2,500 doctors among its users in Austria and achieved sales of EUR 4.6 million in 2009, EUR 3.1 million of which were due for long term software maintenance and annual license income.

SIGNIFICANT POST-BALANCE SHEET EVENTS
Additional share purchase of Profdoc Sdn Bhd, Malaysia
On July 30th 2010, CompuGroup acquired an additional 17 percent of the shares in Profdoc Sdn Bhd in Malaysia and now owns 83 percent of the shares in this company. The additional share purchase reinforces CompuGroup's commitment to grow in the Asia-Pacific region.

Swedish regional contract awarded to CompuGroup
In July, CompuGroup was awarded the contract to provide an integrated practice management and electronic patient record system to all primary care institutions and private GPs in the Swedish region of Skåne. The contract covers more than 130 healthcare centers, 140 child health centers and around 130 rehabilitation centers in the region. The contract will last for five years with the option to extend for a further five. The installation and training phase is expected to be completed by the end of the year. CompuGroup is already the main provider of IT systems in primary care across Sweden, Denmark and Norway. The contract win further strengthens CompuGroup's leading position as a primary care supplier in Scandinavia.

REPORT ON OPPORTUNITIES AND RISKS
As an internationally operating company, CompuGroup is subject to variety of different risks. These risks mainly include strategic and macroeconomic risks as well as operating, legal and political risks. Furthermore, the group is faced with risks resulting from its project-business, risks related to key personnel and financial risks.

The group's technological expertise and market knowledge makes it possible to assess risk and apply appropriate measures to actively manage the risk exposure. To guarantee a responsible risk handling, CompuGroup works with a standardized, group-wide integrated risk management system so that risks can be identified and analyzed at an early stage. A detailed description of the main risks and the specific structure of the risk management system can be found in the CompuGroup Medical AG annual report of 2009. It can be downloaded free of charge from the company's homepage at www.cgm.com.

There were no substantial changes in risk positions during the second quarter 2010 in comparison to the risks presented in the CompuGroup Medical AG annual report of 2009. Risks that may impact the company as a going concern were not evident during the second quarter 2010, neither in form of individual risks nor from a total risk perspective for CompuGroup as a whole.

OUTLOOK

CompuGroup reaffirms the guidance for 2010 presented in the Annual Report 2009:

+ Revenue is expected to be in the range of EUR 315 million to EUR 330 million.
+ Operating income (EBITDA) is expected to be in the range of EUR 67 million to EUR 73 million.

The outlook for 2010 represents management's best estimate of the market conditions that will exist in 2010 and how the business segments of CompuGroup will perform in this environment.

In the HPS segment, the organic growth rate is expected to exceed 10 percent and acquisitions to date will grow HPS revenue by approximately 5 percent. The EBITDA margin is expected to improve relative to 2009. The annual software maintenance revenue from existing customers was approximately EUR 150 million at the beginning of 2010 compared to EUR 120 million at the beginning of 2009.

In the HCS segment, our forecast assumes a 10-20 percent loss of revenue in the Communication and Data business. Other HCS revenue is expected to more than compensate for this decline and in total, HCS revenue is expected to grow with stable EBITDA margin relative to 2009.

The foregoing guidance does not include revenue and costs associated with potential and currently undetermined further acquisitions during 2010.

GENERAL ECONOMIC CONDITIONS

Global economic development

The IMF expects a further vulnerable recovery of the global economy. For 2010 the growth is expected to be at 4.5 percent, while the IMF expects a slower growth of 4.25 percent for 2011. This reduced estimation is due to recent turbulence and uncertainty in the financial markets. For the developed economies expected growth for 2010 is at 2.6 percent and 2.4 percent in 2011, while the emerging economies should grow at 6.8 percent (2010) or 2.4 percent (2011).

German economic development

For Germany, the IMF has increased his growth estimation about 0.2 percent for 2010 to 1.4 along with the general trend for the Eurozone and decreased the estimations for 2011 about 0.1 percent to 1.6 percent.

Industry developments

For 2010 the German Association for Information Technology, Telecommunications and New Media (BITKOM) expects an unchanged growth of 1.4 percent in the IT market. The sub-segment software is expected to grow at 0.9 percent, the sub-segment IT-related services at 2.2 percent.

Concluding summary of the economic situation

In spite of the general trends, CompuGroup does not expect to suffer significant negative effects in its businesses within the 2010 financial year, the health-sector being relatively independent from the general economic cycles.

RELATED PARTY DISCLOSURES

During the second quarter, there was one reportable transaction compared to the disclosure in the financial statements as at 31 December 2009 specified in the 2009 annual report.

In the reporting period CompuGroup Medical AG has entered into a standardized sponsoring package for the 2010/2011 season in the amount of EUR 150,000 with KEC Kölner Eishockey-Gesellschaft, "Die Haie" mbH, Cologne, a company fully owned by SHC Sport Holding Cologne GmbH, Cologne. GT1 Vermögensverwaltung GmbH, Koblenz, a company owned by Frank Gotthardt, CEO of CompuGroup Medical AG, has substantial holdings in SHC Sport Holding Cologne GmbH.

Statement of Financial Position

as at 30 June 2010

ASSETS

	30.06.2010 EUR '000	30.06.2009 EUR '000	31.12.2009 EUR '000
Non-current assets			
Intangible assets	321,629	299,352	311,472
Tangible assets			
Land and buildings	22,833	18,609	22,601
Other facilities, plant and equipment	13,975	13,984	14,033
Financial assets			
Interests in affiliates (valued as equity)	1,910	8,614	1,915
Other Investments	110	170	111
Other receivables	3,894	458	4,092
Deferred taxes	8,456	13,936	9,338
	372,807	355,123	363,562
Current assets			
Inventories	2,447	3,093	2,992
Trade receivables	33,687	31,525	32,192
Other receivables	18,117	18,419	17,289
Income tax claims	2,059	4,113	5,675
Securities (recognized as profit of loss as fair value)	36	183	35
Cash and cash equivalents	18,921	13,588	29,110
	75,267	70,920	87,293
Non-current assets qualified as held for sale	299	0	927
	448,373	426,043	451,782

SHAREHOLDER EQUITY AND LIABILITIES

	30.06.2010 EUR '000	30.06.2009 EUR '000	31.12.2009 EUR '000
Shareholder Equity			
Subscribed capital	53,219	53,219	53,219
Treasury shares	-14,384	-13,629	-14,384
Reserves	141,525	137,062	146,183
Capital and reserves allocated to the shareholder of the parent company	180,360	176,652	185,018
Minority interests	710	1,030	810
	181,070	177,682	185,828
Long-term liabilities			
Pension provision	858	1,382	865
Liabilities to banks	112,024	92,032	109,039
Purchase price liabilities	10,302	8,688	10,186
Other liabilities	4,437	458	4,120
Deferred taxes	38,981	42,813	37,246
	166,602	145,373	161,456
Current liabilities			
Liabilities to banks	19,345	28,687	35,131
Trade payables	13,902	13,113	16,859
Income tax liabilities	5,145	2,858	7,099
Provisions	13,550	15,040	14,841
Purchase price liabilities	4,176	1,671	2,334
Other liabilities	44,583	41,619	27,889
	100,701	102,988	104,153
Liabilities associated directly with non-current assets qualified as held for sale	0	0	345
	448,373	426,043	451,782

Total Comprehensive Income Statement

for the reporting period of 1 January - 30 June 2010

	01.04-30.06 2010 EUR '000	01.04-30.06 2009 EUR '000	01.01-30.06 2010 EUR '000	01.01-30.06 2009 EUR '000	01.01-31.12 2009 EUR '000
Sales revenue	76,736	75,135	145,987	139,649	293,409
Capitalized in-house services	1,464	1,526	3,018	3,166	6,879
Other Income	30	123	552	549	3,182
Expenses for goods and services purchased	-14,197	-17,627	-26,390	-30,087	-61,031
Personnel costs	-36,834	-34,334	-71,823	-64,665	-130,178
Other expense	-11,449	-11,660	-23,040	-23,537	-53,089
Earnings before interest, taxes depr, and amortization (EBITDA)	15,750	13,163	28,304	25,075	59,172
Depreciation of property, plants and tangible assets	-1,314	-,997	-2,440	-2,059	-5,461
Earnings before interest, taxes and amortization (EBITA)	14,436	12,165	25,864	23,015	53,711
Amortization of intangible assets	-6,859	-6,990	-13,713	-13,569	-28,915
Earnings before interest and taxes (EBIT)	7,577	5,175	12,151	9,446	24,796
Results from associates recognised at equity	97	-8	136	0	193
Financial income	727	555	1,324	1,364	2,342
Financial expense	-2,637	-2,191	-5,398	-4,798	-9,014
Earnings before taxes (EBT)	5,764	3,531	8,213	6,012	18,317
Taxes on income for the period	-1,730	-1,433	-2,671	-2,243	-6,601
Consolidated net income for the period	4,034	2,098	5,542	3,769	11,716
of which: allocated to parent company	3,962	2,271	5,552	3,899	12,008
of which: allocated to minority interests	236	-175	153	-130	-291
Other results					
Stock option programm	31	0	63	14	216
hereon allocated dererred tax	-10	0	-19	-3	-64
Currency conversation of the capital consolidation	1,485	-342	3,007	-2,160	-4,303
Transitions consolidation	0	0	0	0	686
Total comprehensive imcome for the period	5,540	1,756	8,593	1,620	8,251
of which: allocated to parent company	5,304	1,931	8,440	1,750	8,542
of which: allocated to minority interests	236	-175	153	-130	-291
Earnings per share					
undiluted (EUR)	0.08	0.04	0.11	0.07	0.24
diluted (EUR)	0.08	0.04	0.11	0.07	0.24
Cash net income (EUR)*	10,069	8,145	17,584	15,465	35,037
Cash net income per share (EUR)	0.20	0.16	0.35	0.31	0.69

*Cash net income: net income before minority interests plus amortization on intangible assets except amortization on in-house capitalized software.

Cash Flow Statement

as at 30 June 2010

	01.04-30.06 2010 EUR '000	01.04-30.06 2009 EUR '000	01.01-30.06 2010 EUR '000	01.01-30.06 2009 EUR '000	01.01-31.12 2009 EUR '000
Group net income	4,034	2,271	5,542	3,899	11,716
Amortization of intangible assets, plant and equipment	8,173	7,988	16,153	15,628	34,376
Refund preliminary purchase price	0	0	0	0	330
Earnings on sales of fixed assets	0	0	0	0	-93
Change in provisions (including income tax liabilities)	-1,372	-2,901	-3,711	-5,127	-1,774
Change in deferred taxes	323	-953	-140	-1,542	-1,970
Other non-cash earnings/expenditures	875	-60	484	-1,423	-1,415
	12,033	6,345	18,328	11,435	41,170
Change in inventories	229	2,318	624	-570	616
Change in trade receivables	-6,663	-3,966	-953	-2,579	-2,906
Change in other receivables	307	-599	-231	-3,674	-2,916
Change in income tax receivables	924	7,431	3,629	7,263	5,826
Change in securities (valued at actual cash value)	0	5	-1	45	103
Change in trade accounts payables	-844	-1,030	-3,206	-354	3,289
Change in other short-term liabilities	-3,251	340	15,093	15,259	-806
Change on other long-term liabilities	-114	-101	317	-126	-371
Cash flow from operating activities	2,621	10,743	33,600	26,699	44,005
Cash inflow on disposals of sales of property, plant and equipment	29	187	985	539	767
Cash outflow for capital expenditure in property, plant and equipment	-1,185	-756	-3,770	-6,931	-10,012
Cash inflow on disposals of intangible assets	5	42	10	65	993
Cash outflow for capital expenditure in intangible assets	-2,033	-3,075	-5,251	-4,668	-9,185
Cash inflow on disposal of financial assets	0	20	0	20	0
Cash outflow for investments in financial assets	0	-420	0	-400	-408
Acquisition of minority interests	-576	-2,844	-2,680	-2,844	-7,811
Acquisition of companies less assumed cash and cash equivalents	0	-364	-7,943	-6,859	-17,218
Cash flow from investing activities	-3,760	-7,210	-18,649	-21,078	-42,874
Purchase of own shares	0	-2,165	0	-3,704	-4,459
Dividends paid	-12,642	0	-12,642	0	0
Dividends received	0	170	200	170	170
Change in short-term purchase price liabilities	0	-283	-12	-338	-3,647
Change in long-term purchase price liabilities	308	2,543	116	2,439	3,937
Cash inflow from assumption of loans	2,594	2,564	20,000	2,564	129,559
Cash outflow from the assumption of loans	-2,934	0	-32,801	-9,250	-113,688
Cash flow from financing activities	-12,674	2,829	-25,139	-8,119	11,872
Changes in cash due to exchange rates	0	0	0	0	22
Change in cash and cash equivalents	-13,814	6,362	-10,189	-2,498	13,024
Cash and cash equivalents at the beginning of the period	0	0	29,110	16,086	16,086
Cash and cash equivalents at the end of the period	-13,814	6,362	18,921	13,588	29,110
Interest paid	1,401	757	2,797	2,548	5,157
Interest received	212	204	449	668	943
Income tax paid	1,937	3,058	4,316	5,876	8,005
Dividends received	0	170	200	170	170

Changes in Consolidated Equity

as at 30 June 2010

	Parent company				Minority interests	Consolidated equity
	Share capital EUR '000	Reserves EUR '000	Treasury shares EUR '000	Total EUR '000	EUR '000	Total EUR '000
Balance at 31 December 2008	53,219	137,740	-9,925	181,034	1,790	182,824
Dividend distribution to minority interests	0	0	0	0	-214	-214
Minority additions from acquisitions	0	0	0	0	3,639	3,639
Additional purchase of shares from minority interests after control	0	-87	0	-87	-4,126	-4,213
Reclassification of negative minority interests	0	-12	0	-12	12	0
Purchase of own shares	0	0	-4,459	-4,459	0	-4,459
Total result of the period	0	8,542	0	8,542	-291	8,251
Balance at 31 December 2009	53,219	146,184	-14,384	185,019	810	185,828
Dividend distribution to minority interests	0	0	0	0	0	0
Dividend distribution to shareholders	0	-12,642	0	-12,642	0	-12,642
Minority additions from acquisitions	0	0	0	0	0	0
Additional purchase of shares from minority interests after control	0	-457	0	-457	-251	-708
Reclassification of negative minority interests	0	0	0	0	0	0
Revaluation reserve	0	0	0	0	0	0
Purchase of own shares	0	0	0	0	0	0
Total result of the period	0	8,440	0	8,440	153	8,593
Balance at 30 June 2010	53,219	141,525	-14,384	180,360	710	181,070

Explanatory notes

THE COMPANY

CompuGroup Medical AG (parent company) is a company registered in Germany in the commercial register of the local court of Koblenz under HRB No. 4358. The Company's registered office is at Maria Trost 21, Koblenz. The object and primary activities of the Company can be characterised as follows:

The Group is currently divided into three business areas, Health Provider Services (HPS), Health Connectivity Services (HCS) and Consumer Health Services (CHS). These areas form the basis for the Company's segment reporting.

HPS: Development and marketing of software solutions for office-based doctors, dentists and hospitals

HCS: Networking of healthcare service providers (doctors, dentists and hospitals) with other key market participants such as medical insurance companies, pharmaceutical companies and others

CHS: Products and services to cover the growing need for health information for patients

The Company's shares are traded in the official market segments of the Frankfurt Stock Exchange since 4 May 2007.

General Accounting Principles for the Interim Financial Report

General Accounting Principles

This condensed IFRS-Interim Financial Report for the period ended 30 June 2010 is a consolidated financial statement. Unless otherwise specified, all amounts are provided in thousands of euros (EUR thousands) or millions of euros (EUR millions). Rounding differences of +/- one unit (EUR thousands, percent, etc.) may arise as a result of calculations.

This six month financial statement has been prepared in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standard Board (IASB) as adopted by the EU and has also applied for the consolidated financial statements for the year ended 31 December 2009. Furthermore, this report has also been prepared in accordance with IAS 34 "Interim Financial Reporting".

The consolidated income statement and balance sheet comply with the subdivision presentation rules IAS 1 "Presentation of Financial Statements", whereby the income statement has been prepared under the total expense format.

Unless stated otherwise, all figures refer to the first six month of 2010 and 2009 respectively.

This condensed six month financial report does not contain all information and explanatory notes that would be required for consolidated annual financial statements and should be viewed in conjunction with the audited consolidated financial statements for the year ended 31 December 2009, which may be obtained from the Company's website www.cgm.com.

Generally, this financial report is based on the historical cost principle. As far as nothing else is noted, all assets and liabilities are carried at historical acquisition or production cost, less required depreciation, amortization and impairment. The underlying estimates and assumptions used in the preparation of this IFRS six month financial report have an impact on the measurement of assets (e.g. goodwill, deferred tax assets) and liabilities (e.g. provisions, purchase price liabilities), contingent assets and liabilities shown at respective statement of financial position dates, and the amount of income and expense for the reporting period. Although these assumptions and estimates were made to the best knowledge of the Management Board, actual results may differ from these estimates.

The Management Board believes that this report contains all the information and adjustments necessary to present a true and fair view of the net assets, financial position and earnings of the Company. These results for the current fiscal year do not necessarily allow conclusions to be drawn with regard to future business.

The Company's business is not subject to significant business cycle or seasonal fluctuations.

In preparing this condensed IFRS- Interim Financial Report, the same accounting policies have been applied as for the previous consolidated financial statements as at 31 December 2009 with the exception of the following listed new IFRS-Standards and Interpretations.

Changes that apply from 1 January 2010
IFRIC 15 - Agreements for construction of real estate

Changes that apply from 1 January 2010 but which are currently not adopted by the EU
Amendments to IFRS 1 - First time adoption
Amendment to IFRS 2 - Share based payments

Annual Improvements 2009, which apply from 1 January 2010
IFRS 5 - Non-Current assets held for sale and discontinued operations
IFRS 8 - Operating segments
IAS 1 - Presentation of financial statements
IAS 7 - Statement of cash flows
IAS 17 - Leases
IAS 18 - Revenue
IAS 36 - Impairment of assets
IAS 38 - Intangible assets
IAS 39 - Financial instruments: Recognition and measurement

Changes that apply from 1 February 2010
Amendments to IAS 32 - Financial instruments: Presentation

Changes that apply from 1 July 2010 but which are currently not adopted by the EU
Amendment to IFRS 1 - First-time adoption
IFRIC 19 - Extinguishing financial liabilities with equity instruments

Changes that apply from 1 January 2011 but which are currently not adopted by the EU
Amendment to IAS 24 - Related party disclosures
Amendment to IFRIC 14 - IAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction

Changes that apply from 1 January 2013 but which are currently not adopted by the EU
IFRS 9 - Financial instruments

In general the first-time mandatory application of new IFRS could lead to changes within the currently applied accounting policies. With the exception of the mandatory application, effective for fiscal years beginning on or after 1 July 2009, IFRS 3 (rev. 2008) - Business combinations and IAS 27 (rev. 2008) - Consolidated and separate financial statements, no further impacts which will have substantial effect on the Group's accounts are expected. The impacts on Group's accounts arising from the first-time application of IFRS 9-financial instruments (effective from 1 January 2013) which will replace currently applied IAS 39 financial instruments are still not foreseeable.

This condensed IFRS-Interim Financial report for the period ended 30 June 2010 was not submitted to an audit according to §317 German Commercial Code (HGB) as well as not reviewed by the auditors.

Consolidation Principles
The same consolidation principles have been applied as in the previous consolidated financial statements for the year ended 31 December 2009, which contain a detailed explanation of these principles.

Reporting Entity Structure
The six month financial report includes the financial statements of the Company and companies under its control (its subsidiaries) as at 30 June 2010.

All of CompuGroups's consolidated financial statements are prepared according to consistent accounting policies. Shares in associated companies substantially controlled by the Company exercises significant influence (with voting rights of between 20 percent and 50 percent) are accounted by using the equity method.

The following significant changes have taken place with regard to the reporting entity structure compared to the previous year:

+ Additional share purchase of FimeSan-Group (Italy):
  Effective 13 January 2010 the 2009 founded Company CompuGroup Italia S.r.l. acquired the remaining 9.9 percent of the shares of FimeSan SpA. The total shareholding now amounts 100 percent. The company is a supplier of doctor's information systems.

+ Additional share purchase of ERUDIS s.r.o. (Slovakia):
  Effective 4 March 2010, CompuGroup Medical Česká republika s.r.o. acquired the outstanding 20 percent of the shares of ERUDIS s.r.o.. The company is a supplier in the area of doctor's information systems.

+ Additional share purchase of Noteworthy Medical Systems, Inc. (USA):
  Effective 25 March 2010, CompuGroup Holding USA, Inc. acquired the outstanding 23.8 percent of the shares of Noteworthy Medical Systems, Inc. Noteworthy provides a comprehensive set of tools to effectively manage and facilitate care in the ambulatory setting. Noteworthy's focus is to provide sophisticated applications for primary care as well as the technology to connect physicians, hospitals and healthcare communities for improved care and communication. Noteworthy serves a customer base of more than 1,300 practices, 5,000 healthcare providers and 13,000 users across 43 states.

+ Disposal of medi cine medienproduktions GmbH (Germany):
  On 1 January 2010 CompuGroup Beteiligungsgesellschaft mbH parted from its 100 percent holding in medi cine medienproduktions GmbH, Mainz (CHS segment). The main focus of the company is offering film and TV productions including distribution of medicine journalism services in the TV sector.

+ Acquisition of Innomed GmbH (Austria):
  Effective 18 June 2010, all agreed conditions precedent in the purchase contract concluded on 17 November 2009 was fulfilled. CompuGROUP CEE GmbH acquired 70.3 percent of the shares in Innomed Gesellschaft für medizinische Softwareanwendungen GmbH, Wiener Neudorf for EUR 9.3 million. Innomed has 2,500 doctors among its users in Austria and achieved sales of EUR 4.6 million in 2009, EUR 3.1 million of which were due for long term software maintenance and annual license income.

Consolidation of Capital, Liabilities and Income
Please refer to the consolidated financial statements for the year ended 31 December 2009.

Foreign Currency Conversion
Functional currency is the respective national currency used in the local economic environment. The reporting currency is the EURO which is the functional currency of the parent company. For further information on currency conversion please refer to the consolidated financial statements for the year ended 31 December 2009.

Corporate Governance Code
In accordance with § 161 of the German Stock Corporation Act (AktG), the prescribed declaration of compliance has been submitted by the Management Board and the Supervisory Board and is available to shareholders on the Company's website www.cgm.com.

EXPLANATIONS TO THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

1. Intangible assets

As at 30 June 2010 intangible assets accounted for EUR 321.6 million. This corresponds to an increase of EUR 10.2 million compared to 31 December 2009. The increase mainly pertained to the acquisition of Innomed.

During the first half year, the amortization of intangible assets amounted to EUR 13.7 million, primarily attributable to acquired software, brands and customer relations from acquisitions.

2. Company capital

Share capital

As at 30 June 2010 the share capital of the company amounts to EUR 53,219,350, divided into 53,219,350 no-par-value bearer shares with a value of EUR 1.00 per share.

Authorized capital

By resolution of the General Meeting dated 16 August 2006, the Management Board is authorized until 16 August 2011, with the approval of the Supervisory Board, to increase the share capital up to EUR 22,939,375 by issuing new shares on one or more occasions against cash and/or in kind distributions. The commercial register entry took place 28 September 2006. During the IPO on 4 May 2007 the share capital was increased by EUR 7,340,600 from the authorized capital.

Treasury shares

By resolution of the General Meeting dated 14 May 2009, the Management Board was authorized to acquire its own shares until 14 November 2010. In accordance with Section 71 paragraph 1 No. 8 German Stock Corporation Act (AktG), the Company is authorized to acquire or hold its own shares, up to a total of 10 percent of the current share capital.

The Company holds 2,990,708 treasury shares of which 532,350 were acquired in the 2001 financial year and a further 2,490,518 treasury shares were acquired as part of the buy back program between 23 January 2008 and 18 April 2008 (500,000 shares; purchase price per share in bands from EUR 8.6430 to EUR 12.6788; average weighted purchase price of EUR 10.3276 per share), between 22 July 2008 and 14 October 2008 (500,000 shares; purchase price per share in bands from EUR 3.8243 to EUR 5.4881; average weighted purchase price of EUR 4.8426 per share), between 15 October 2008 and 30 December 2008 (460,896 shares; purchase price per share in bands of EUR 3.1519 to EUR 4.4279; average weighted purchase price of EUR 3.8849 per share), between 5 January 2009 and 31 March 2009 (403,876 shares; purchase price per share in bands from EUR 3.4100 to EUR 4.7402; average weighted purchase price from EUR 4.0810 per share), between 1 April 2009 and 27 May 2009 (500,000 shares; purchase price per share in bands from EUR 3.8357 to EUR 4.5988; average weighted purchase price of EUR 4.1578 per share) and between 4 June 2009 and 31 December 2009 (125,746 shares; purchase price per share in bands from EUR 4.1853 to EUR 6.0000; averaged weighted purchase price of EUR 5.6852 per share).

End of March 2010 the company got the notification that caused by the bankruptcy of Lehman Brothers, a total amount of 32,160 treasury shares was not transferred to the depot. Due to this circumstance the company reduced the total amount of the treasury shares to 2,990,708.

Reserves

The company's reserves relate exclusively to retained earnings, foreign currency translation differences and share premiums from the initial public offer in 2007 (EUR 127.9 million). By resolution of the General Meeting dated 19 May the company was authorized for a dividend payout to their shareholders with an amount of EUR 12.6 million.

As at 30 June 2010 the reserves amount to EUR 141.5 million.

3. Liabilities to banks

As at 30 June 2010 the total debt to credit institutions amount to EUR 131.4 million compared to EUR 144.2 million as at 31 December 2009.

In January 2010 CompuGroup concluded two "ERP-Innovations program; R&D" loans with a total amount of EUR 20 million. These loans were based on planned R&D activities. Both loans have a maturity of five years.

The overall decrease of the liabilities to banks is mainly due to the return of the normal credit lines and reflects normal business activities.

4. Purchase price liabilities

As at 30 June 2010 purchase price liabilities accounted for EUR 14.5 million compared to EUR 12.5 million as at 31 December 2009. This increase mainly pertains to the agreement to purchase at the price of EUR 3.8 million the remaining 29.7 percent of the shares of Innomed in 2011. On the other hand due to the purchase of the remaining 9.9 percent of the shares of Fimesan the purchase price liabilities declined with an amount of EUR 2.0 million. CompuGroup now owns 100 percent of the shares of Fimesan.

5. Other liabilities

Other liabilities increased by EUR 16.7 million to EUR 44.6 million during the first six month of 2010. This pertains mainly to the increase of pre-payments of maintenance contracts (EUR 17.1 million). VAT liabilities declined by EUR 1.8 million.

6. Capitalized in-house services

Capitalized in-house services relates exclusively to the activation of self-developed software. During the first six month of 2010 a total of 81,518 working hours (EUR 3,0 million) were classified for activation. In the same period in 2009, 89,379 hours (EUR 3,1 million) were activated. The Group's average hourly rate amounts to 37 EUR / hour (year before: 34 EUR / hour). During the first six month the depreciation on the already finished software amounted to 1,7 EUR million (year before: EUR 1.8 million).

7. Special effects on the profit and loss account

Please see comments in the interim management report.

8. Hedging activity

During the 2nd quarter 2009 CompuGroup closed a contract for an interest rate swap. This swap locks in the interest rate for EUR 100 million of the debt to credit institutions over 3 years, less the scheduled down payments in this period, at a fixed rate of 2,03 percent. As at 30 June 2010 the swap was balanced as a liability with a fair value evaluation of EUR 1.4 million. This evaluation represents an effect within the reporting period of EUR 1.0 million which is recorded in the financial expenses in the Total Comprehensive Income Statement.

9. Group rate of taxation transition

The group tax charge consists of the current tax charge and deferred tax. The current tax charge is based on the taxable income for the period. The current tax liability is based on the applicable tax rates. Deferred tax represents expected future tax savings or additional charges arising from the difference between book values of assets and liabilities and the values adopted in the taxable income computation. The liability method is used in the deferred tax calculation.

EUR ´000 / %	
8,213	EBT - Pre-tax profits
2,671	Taxes on income and earning from the income statement
32.5%	Effective tax rate for the group
-3.2%	Taxfree loss Tepe
0.0%	Tax reimbursement for prior years
0.0%	Special expense for internal audit
0.9%	Tax differences foreign subsidiaries
-0.6%	Other differences
29.65%	Theoretical tax rate for the group

10. Employees

CompuGroup had an average of 2,745 employees in the second quarter of 2010 (previous year: 2,762).

11. Segment reporting

In this report, CompuGroup follows the application of the new IFRS 8 for the segment reporting. Currently the Company assumes that there will be no changes in the business segments. All transactions between the segments are calculated at fair market values.

	Segment I: Health Provider Services (HPS)			Segment II: Health Connectivity Services (HCS)			Segment III: Consumer Health Services (CHS)		
EUR ´000	2010 Jan-Jun	2009 Jan-Jun	2009 Jan-Dec	2010 Jan-Jun	2009 Jan-Jun	2009 Jan-Dec	2010 Jan-Jun	2009 Jan-Jun	2009 Jan-Dec
Sales to third parties	115,795	104,90	223,648	30,048	32,628	66,758	0	1,283	2,425
Sales between segments	1,105	3,698	2,222	329	364	1,137	1,977	1,952	5,676
SEGMENT SALES 1)	**116,90**	**108,598**	**225,870**	**30,377**	**32,992**	**67,895**	**1,977**	**3,235**	**8,101**
EBITDA	**25,015**	**18,325**	**44,804**	**9,754**	**12,098**	**25,961**	**1,420**	**94**	**169**
in % of sales	21,6	17,5	20,0	32,5	37,1	38,9	-	-	-
Depreciation on tangible assets	-1,948	-1,663	-3,415	-148	-228	-1,422	-9	-38	-86
Amortization on intangible assets	-12,130	-12,081	-25,091	-1,064	-1,099	-3,023	-295	-291	-587
Impairment for financial assets	0	0	0	0	0	0	0	0	0
EBIT	**10,937**	**4,581**	**16,298**	**8,542**	**10,771**	**21,516**	**1,116**	**-235**	**-504**
Earnings of associated companies	136		193	0	0	0	0	0	0
Interest income	-	-	-	-	-	-	-	-	-
Interest expenses	-	-	-	-	-	-	-	-	-
EBT	-	-	-	-	-	-	-	-	-
Corporation tax	-	-	-	-	-	-	-	-	-
GROUP NET INCOME	-	-	-	-	-	-	-	-	-
in % of sales	-	-	-	-	-	-	-	-	-
GROUP NET INCOME before depreciation	-	-	-	-	-	-	-	-	-
Segment assets 2)	412,074	398,057	396,615	40,220	40,735	42,543	10,957	4,093	10,113
Of which associated companies	1,910	8,614	2,021	0	0	0	0	0	0
Deferred tax assets	-	-	-	-	-	-	-	-	-
Income tax claims	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Group assets	-	-	-	-	-	-	-	-	-
Segment liabilities 3)	132,394	125,529	132,592	15,252	16,537	22,079	182	5,529	238
Deferred tax liabilities	-	-	-	-	-	-	-	-	-
Income tax liabilities	-	-	-	-	-	-	-	-	-
Current liabilities	-	-	-	-	-	-	-	-	-
Non-current liabilities	-	-	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-	-	-
Group liabilities	-	-	-	-	-	-	-	-	-
Other Data									
Capital expenditure	24,357	20,396	50,617	498	564	2,110	208	103	757

1) Total Sales (excluding changes in inventory, capitalized in-house services and other operating income)
2) Long-term and short-term assets (excluding deferred tax and financial assets)
3) Excluding liabilities to banks, tax payables, investment grants, purchase price liablities, pension provisions and deferred tax

All other Segments			Consolidation adjustments			CompuGroup Group		
2010 Jan-Jun	2009 Jan-Jun	2009 Jan-Dec	2010 Jan-Jun	2009 Jan-Jun	2009 Jan-Dec	2010 Jan-Jun	2009 Jan-Jun	2009 Jan-Dec
144	838	578	0	0	0	145,987	139,649	293,409
2,041	2,240	4,450	-5,452	-8,254	-13,485	0	0	0
2,185	3,078	5,028	-5,452	-8,254	-13,485	145,987	139,649	293,409
-7,885	-5,443	-11,762	0	0	0	28,304	25,074	59,172
-	-	-	-	-	-	19,4	18,0	20,2
-335	-130	-538	0	0	0	-2,440	-2,059	-5,461
-223	-98	-214	0	0	0	-13,712	-13,569	-28,915
0	0	0	0	0	0	0	0	0
-8,443	-5,671	-12,514	0	0	0	12,152	9,446	24,796
0	0	0	0	0	0	136	0	193
-	-	-	-	-	-	1,324	1,364	2,342
-	-	-	-	-	-	-5,398	-4,798	-9,014
-	-	-	-	-	-	8,214	6,012	18,317
-	-	-	-	-	-	-2,671	-2,243	-6,601
-	-	-	-	-	-	5,543	3,769	11,716
-	-	-	-	-	-	3,8	2,7	4,0
-	-	-	-	-	-	19,255	17,338	40,631
96,230	89,621	113,471	-121,922	-124,512	-126,90	437,559	407,994	435,842
0	0	0	0	0	0	1,910	8,614	2,021
-	-	-	-	-	-	8,456	13,936	9,338
-	-	-	-	-	-	2,059	4,113	5,675
-	-	-	-	-	-	299	0	927
-	-	-	-	-	-	448,373	426,043	451,782
45,393	45,622	28,557	-103,072	-118,431	-107,238	90,149	74,786	76,228
-	-	-	-	-	-	38,981	42,813	37,246
-	-	-	-	-	-	5,145	2,858	7,099
-	-	-	-	-	-	20,145	23,962	35,131
-	-	-	-	-	-	112,024	102,560	109,039
-	-	-	-	-	-	858	1,382	1,211
-	-	-	-	-	-	267,302	248,361	265,954
703	5,613	6,007	0	0	0	25,766	26,676	59,491

12. Other financial obligations and financial commitments

Other financial obligations and financial commitments as at 30 June 2010 consist of the following:

EUR '000	Q2/2010	Q2/2009
One year or less	8,782	9,629
Between two and five years	14.400	6,604
Longer than five years	3,835	455
	27,017	16,688

Payments from operating lease relationships involve rent for the Group's office equipment and particularly for office buildings (without purchase option). Leasing relationships are concluded for an average term of three years. The rents are fixed for three to seven years. Operating leasing relationships are shown in the balance sheet with a pro rata affect on income.
There are no larger purchase commitments from operations.

As part of a project contract concluded in November 2009 with the Vienna Hospital Group (KAV), Systema Human Information Systems GmbH gave a performance guarantee for EUR 3.6 million to KAV. Furthermore, the Company has deposited EUR 19,000 with the landlord for the rental of office space and a computer centre in St. Pölten.

CompuGroup Medical AG has taken over a guarantee in favour of Meteksan Sistem ve Bilgisayar Teknolojileri A.S. for YTL 210,000 (EUR 97,000) for Tepe Teknolojik Servisler A.S.

In the course of its business "Tepe International A.S" responds to various invitations to tender domestically and abroad and normally has to provide a guarantee to participate in these tenders. To secure this deposit the Company has guaranteed US$ 5 million (EUR 3.5 million) for CompuGroup Medical AG at Fortis Bank (Turkey).

Furthermore, "Tepe International A.S" has given several guarantees that are listed below:

+ Ministry of Health in Saudi Arabia SAR 1.4 million (EUR 0.3 million).
+ Finans Bank A.Ş. US$ 1.2 million (EUR 0.8 million).
+ Anadolu Anonim Turk Sigorta Şti. US$ 0.2 million (EUR 0.1 million).
+ Vehbi Koç Amerikan Vakfi Hastanesi US$ 0.1 million (EUR 0.1 million).
+ Ankara Teknoloji Gel. Bölg. Kurucu ve Işi. A.Ş. YTL 0.2 million (EUR 0.1 million).
+ Various hospitals YTL 28,750 (EUR 13,000).

Under the terms of the joint venture agreement of 15 November 2004 between United Pascal Holdings B.V. and CompuGroup Beteiligungsgesellschaft to found UCF Holding S.a.r.l. Luxemburg, CompuGroup Medical AG as the parent company is obliged to guarantee the liquidity of CompuGroup Beteiligungsgesellschaft. The reason for this is that United Pascal Holdings B.V. has, at term, the right to sell its minority stake. As at 31 December 2009 this purchase obligation would have been valued at around EUR 5.0 million if the put right had been exercised.

The Company has taken over a guarantee for EUR 2.6 million in favour of the landlords Friedrich und Jan Christopher GmbH and Geschwister Christoffer GbR on behalf of the associate company Medistar Praxiscomputer as part of an existing rental agreement.

The Company has given a surety of EUR 15,000 to Gesmo Gesellschaft für Mobilfunkservices mbH, Marburg at Commerzbank.

Various credit guarantees amounting to EUR 10,000 are in place for a French subsidiary in favour of SEB AG.

The Company has taken over a guarantee of EUR 195,000 in favour of BECOM Electronics GmbH for the company KoCo Connector AG.

The Company has taken over a rental deposit guarantee for EUR 50,000 in favour of the landlord for the existing rental agreements of the associated company medicine Medienproduktions GmbH with Haferkamp, Schirmacher, Wehen, Rasch GbR, Mainz.

In accordance with the declaration of 1 March 2010 the Company assumed an obligation to its indirect subsidiary Noteworthy Medical Systems Inc, USA to support it with sufficient funds for 12 months from the date of the declaration.

The Company has provided a comfort letter to the LGS Leasinggesellschaft der Sparkasse GmbH regarding leasing contracts entered into by the associate company ISPro GmbH. Future payments arising from these leasing contracts amount to EUR 15,000 in total. All payments will be due for final payment in 2010.

The Company has assumed joint and several liabilities for all leasing and service contracts concluded by associated companies with VR-Leasing AG. Liabilities arising from these contracts amounted to EUR 432,000 on the balance sheet date.

An interest and principle guarantee has been entered into in favour of Landesbank Saar Girozentrale on behalf of the associated company IMMO I GbR (in the course of the purchase of additional shares and subsequent merger with CompuGroup Beteiligungs-gesellschaft mbH) with relation to financing by Landesbank Saar Girozentrale. CompuGroup Medical AG undertakes to ensure that the debtor assumes all present and future interest and principle payments on time or else substitute itself for them. This refers to two loans with the following conditions:

Original credit amount (EUR)	Interest rate (%)	Monthly repayment (EUR)	Fixed interest period
1,121,000	5.5%	12,144.17	30.12.2012
1,879,000	5.5%	0.00	30.12.2012
3,000,000		12,144.17	

Only interest will be paid for the loan for EUR 1,879,000 until 30 December 2012.

These loans were valued at EUR 2.2 million on 30 June 2010.

As part of the interest rate fixing on 30 December 2012 a repayment agreement has to be made whereby the credits has to be repaid within 10 years so that the total term of 20 years is not exceeded.

13. Company acquisitions

Date of purchase	Sakura 01.04.2009 EUR '000	Noteworthy 01.03.2009 EUR '000
1) Assets		
I. Non current assets	34	396
II.Current assets	208	2,959
2) Liabilities and shareholder's equity		
I. Long-term borrowed capital	0	79
II.Short-term borrowed capital	96	5,523
3) Acquisition of shareholder's equity	145	-1,179
External portion		-1,068
Purchase price allocation		
Goodwill, software	43	1,383
Goodwill, business value	6	5,729
Goodwill, customer relationship	433	391
Goodwill, brand	48	275
Goodwill, minorities	0	-585
Offset against financial assets	0	0
Goodwill loss/profit carried forward	0	0
Deferred tax assets on loss carried forward	0	1,158
Purchase price liability	0	0
Deferred tax liabilities on goodwill	-110	-820
Offset against reserves	0	0
Purchase price	**564**	**6,352**
According to allocation	564	6,352
4) Percentage of voting rights acquired (%)	100	51,6
5) Acquired funds	195	1,954
6) Result following initial consolidation	n.a.	n.a.
7) Result under the premise that no takeover had taken place under the period 1 January-31 December 2009	n.a.	n.a.
9) Step up depreciation	n.a.	n.a.
9) Sales revenues since initial consolidation	n.a.	n.a.
10) Sales revenues under the premise that no takeover had taken place under the period 1 January-31 December 2009	n.a.	n.a.

The purchase price allocations for Fimesan, Erudis, SMI and Microscosmos are provisional.
For proforma date in respect of Sakura, Noteworthy, Fimesan, Erudis, SMI and Micrococosmos we refer to the Annual Report 2009.

Fimesan 01.07.2009 EUR ‘000	Erudis 01.10.2009 EUR ‘000	SMI 01.11.2009 EUR ‘000	Microcosmos 01.11.2009 EUR ‘000	Innomed 01.01.2010 EUR ‘000	Total 30.06.2010 EUR ‘000
8,647	35	148	227	240	240
4,282	90	34	18	2,114	2,114
4,692	0	0	0	0	0
4,555	105	221	206	1,965	1,965
3,681	19	-39	39	389	389
				0	0
1,030	103	128	174	1,319	1,319
8,517	342	1,595	1,960	4,540	4,540
2,107	146	0	11	9,617	9,617
641	9	82	107	91	91
0	-51	0	0	0	0
-6,677	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	-3,826	-3,826
-1,186	-49	-66	-92	-2,757	-2,757
-713	0	0	0	0	0
7,400	**520**	**1,700**	**2,200**	**9,374**	**9,374**
7,400	520	1,700	2,200	9,374	9,374
100	80	100	100	70,3	
1,659	1	34	69	1,430	1,430
n.a.	n.a.	n.a.	n.a.	928	928
n.a.	n.a.	n.a.	n.a.	928	928
n.a.	n.a.	n.a.	n.a.	329	329
n.a.	n.a.	n.a.	n.a.	2,501	2,501
n.a.	n.a.	n.a.	n.a.	2,501	2,501

Additional Information

FINANCIAL CALENDAR 2010

August 12, 2010	Q2 Report 2010
November 17, 2010	Q3 Report 2010 / Analyst Conference, Düsseldorf

SHARE INFORMATION

The CompuGroup share finished the second quarter with a closing price of EUR 8.27 on 30 June 2010. The average closing share price rose by 2.3 percent from EUR 8.19 (Q1/2010) to EUR 8.38 (Q2/2010).

The highest quoted price during the quarter was EUR 9.00 on 10 and 13 May 2010 and the lowest price EUR 7.80 on 19 May 2010.

The trading volume of CompuGroup shares was 1.1 million shares during the second quarter, down 50.4 percent compared to the previous quarter. On average, the daily trading volume was approx. 18,107 shares.

By the end of June 2010, a total of four analyst companies were covering CompuGroup's shares on a regular basis. The forecast price targets ranged from EUR 10.00 to EUR 12.00. Three analysts rated the shares a "buy" and one analyst as "overweight".

CONTACT INFORMATION

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Management Responsibility Statement

To the best of our knowledge, and in accordance with applicable accounting principles for interim financial reporting, the consolidated interim financial statements give a true and fair view of the net assets, financial position and results of operations of the Group, and the Group interim management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group over the remainder of the financial year.

Koblenz, 12 August 2010

CompuGroup Medical Aktiengesellschaft
The Management Board

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