



ANNUAL REPORT | 2006

# TRIPLAN AG – Maximum Benefits For Customers With Innovative Engineering Performance

TRIPLAN Benchmark Data (IAS or IFRS€):	as of -01-01 to 2006-12-31/T€	-01-01 2005-12-31/T€	until amended in %
Total Performance*	40,873	26,403	54.8
EBITDA	2,528	814	210.6
EBIT	1,562	41	n.a.
EBT	1,587	18	n.a.
Period Results	1,282	- 265	n.a.
Results Per Share (€)**	0.15	- 0.04	n.a.
Number Of Personnel (as of Dec. 31)	285	263	8.4

\* Incl. change in stocks and other revenues and actively balanced internal labor

\*\* Without corrections

## TRIPLAN Quarterly Review: Financial Year 2006

### Q1 / 2006

The total performance more than doubled compared to the previous year. EBIT increased from about -200 T€ to +200 T€.

As of March 31, Reinhard Meier shall terminate his activities as Executive Board Member as planned.

As of January 1, Heinz Braun shall be appointed as Executive Board Member for Finances and IT.

### Q2 / 2006

The consolidated group operating results now increased to +327 T€ from -384 T€ in Q2/2005.

ItDL Ingenieurtechnische Dienstleistungen GmbH shall be merged into TRIPLAN AG.

As of April 1, Walter Nehrbaß shall be appointed to Executive Board Member for Engineering and as Spokesman for the Board.

The Annual Meeting of Stockholders was successfully performed on June 21.

A framework agreement was closed with OMV Vienna (international mineral oil company).

### Q3 / 2006

Establishment of TREVIS Engineering AG, Switzerland, TRIPLAN is a 51% shareholder.

A capital increase was performed for nominally 691,952 €.

Convertible bonds were converted, and stock options were drawn in part.

BEKO HOLDING AG, Austria, increased their sharehold to 27%.

Liquid assets amounted to 3.5 million €, compared to 2.0 million € of the previous year.

Large projects were acquired amounting to well 15 million € of fee volume.

### Q4 / 2006

The set objectives have been over-achieved! A total performance of 41 million € was achieved including 1.6 million € EBIT.

Annual net profits of 1.3 million € were achieved, the best year since our IPO.

The branch center conception was successfully implemented.



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# Letter to The Shareholders

**Dear Lady and Gentleman Customers,  
Dear Lady and Gentleman Shareholders,**

As of the past Spring, we present you with our forecast for the business development of TRIPLAN AG. We are delighted to be able to report to you that even the final spurt was well succeeded. We have not only achieved our targeted objectives, but we have over-performed them displaying best results since the IPO of the AG.

The Executive Board  
of TRIPLAN AG:  
Heinz Braun und  
Walter Nehrbaß



Total performance jumped up by 95% to 40.9 million € (previous year 26.4 million €). The operating profits (EBIT) climbed to 1.6 million € (previous year 0.04 million €). The equity ratio rose to 52.3% (previous year 46.5%). We are somewhat proud of this. As we though managed to achieve growth in a market environment that displays orderly activities, yet we first had to adapt to its contingencies with the greatest of efforts.

Many of you have become acquainted with TRIPLAN as a regionally operating engineering and IT company. As an ambitious and inventive technology partner, who has taken on responsibility for more demanding tasks for international markets leaders in the innovation arena in the course of its development. As a company that shoulders with customers on-site via a network of branch offices at major chemical industry sites of Europe. Yet regretfully, this is „only“ perceived as a regional know-how provider from the market players. This is a positioning strategy that unfolded to be a handicap for such a standard prime-rated engineering company of our caliber.

In order to avoid a lag behind the trend for globalization, which reflects itself in the fact that customers are becoming larger due to mergers & acquisitions, and that outsourcing projects are becoming more complex, we had to newly re-position ourselves. Notwithstanding, global players, who source for engineering or IT service providers, are looking for partners of the same ranking.

The most important requirements, namely branch expertise and the mental capacity to be able to adapt to other cultures, were already complied with due to our 40 yearlong international

engineering experience. We only had to newly re-sort and correctly emphasize our opportunities. This is exactly what 450 staff members have done with great efforts upon according preparations during the record-breaking year of 2006.

We differentiated ourselves from the competitors by newly re-organizing the Engineering Services business domain. We presented ourselves more widely to the market with new products and services. And we concentrated our competencies into three internationally aligned Branch Centers at the most important industrial branch locations of Europe, in Karlsruhe, Leverkusen, and Basel. In short, we defined our product and service line for the market in a clear and unambiguous fashion, and made the message visible for our customers.

The resonance achieved for this: Full order books – hereunder alone, three large-size projects amounting to 15 million €. At the same time, the Branch Centers strengthened our traditional core business, and on-site customer-support within the plants. The Branch Center Karlsruhe gained in competency, due to the merging of ItDL to TRIPLAN and the petro-chemical know-how of the ItDL staff members. The successful integration of IMA also impacted overall revenue and performance results in a positive fashion. In order to exploit our opportunities in the outsourcing of complex, and also especially rewarding, engineering tasks, we established TREVIS Engineers AG. It delivers investment consulting services worldwide, and high-grade engineering services from preliminary phase planning to plant shutdown.

During 2006, we have created efficient structures that can cope with these pressures resulting from these interlocking and mutually reinforcing measures. This allows us the direct access to all of our resources, and thus also enables us to support our customers, wherever they may need us. Due to these efforts made, we profited from the industrial branch growth with revenues amounting to 40 million € (previous year 25 million €), which was over the average. A personnel workload utilization ratio of about 95% was achieved within the business domain Engineering.

Yet, this is not enough for us. We want to grow even more in the coming years. The framework market conditions are favorable for this. During 2006, the chemical industry invested about 5.6 billion €. This will continue at a high level in 2007. The German plant engineering market is booming. The EU subsidizes alternative energies, such as bio-diesel, more and more.

In the business domain of Technology Services, we also managed to prevail well, in spite of the competition to global players, strong regional providers, and pure offshore providers, which behave competitively with pricing strategies, and also vehemently crowd into the European market. Even though our business domain Technology Services experienced a difficult start-up, it almost achieved the targeted objective with a total performance amounting to 6 million € (previous year 6 million €).

Our main focus within the business domain Technology Services is especially aligned to develop new market segments. We shall gain new customer segments in emerging markets at a global level with new services and a wider line of products. In the course, our non-IT flank will help to profile us. The German backlog for IT investments promises growth in the coming years, which will significantly exceed the national economic development. We want to have a piece of this action.

Our growth was fully financed by increases in cash assets, which were performed during the financial reporting year. Fresh money amounting over 1.5 million € flowed into the company due to this. High operative cash flow achieved amounting to 1.5 million € improved the balance sheet ratios. Liabilities were then covered. Equity capital increased especially due to cash asset increases, and due to material asset increases to 9.6 million € (previous year 8.2 million €). Thus, we have a very good standing. Our solid balance sheet and stabile liquidity enable for sufficient financial capabilities.

Our excellent economic situation and our potential also convinced our investors, the BEKO-HOLDING AG. As of January 11, 2007, they have placed a takeover offer. TRIPLAN could develop new markets and release synergies due to integration within die BEKO Group.

The Executive Board needed to be strengthened due to the increased tasks unfolding. As of January 1, Heinz Braun was appointed as new Executive Board Member for Finances and IT. As planned, Reinhard Meier, start-up entrepreneur and sole CEO, retired as of March 31, 2006. We would like to extend our thanks for his excellent work during the establishment and the development of the company. Walter Nehrbaß was appointed as Executive Board Member for Engineering and as Spokesman for the Board as of April 1, 2006.

For the new year, we expect a total performance amounting to 42 million €. We would like to maintain this growth in the coming years. For our expansion, we further consider company acquisitions and the establishment of new companies. Especially – since we have indeed established the essentials during 2006 – we want to increase our results even more than the operative revenue.

Dear ladies and gentlemen, we look upon a record-breaking year of your company. The global economy is forecasted to further perform well, yet we are not crystal ball wizards of the future – we are though confident that we can yet also report about further progresses made in the future business development.

Bad Soden, dated March 30, 2007



Walter Nehrbaß



Heinz Braun

Executive Board Members

# Engineering Services

TRIPLAN AG is specialized in providing engineering services for complex plant facilities within the Pharmaceutical-Chemical industry, as well as within the Petro-Chemical and Life Science industries. Our experts in the planning of Fine Chemical and Multiple-Product facilities have acquired special expertise.

Furthermore, TRIPLAN is responsible for project management and controlling, as well as for qualification/validation throughout all project phases, and for turnkey facility start-up. Investment consulting (feasibility & implementation) is a further area of services. Next to engineering services, TRIPLAN develops and sells software for plant engineering planning, under the brand names CADISON and TRICAD via the subsidiary company ITandFactory.

During 2006, an executive board member change occurred within TRIPLAN AG: As of January 1, Heinz Braun was appointed as new Executive Board Member for Finances and IT; as of April 1, Walter Nehrbass is responsible as Executive Board Member for Engineering. As planned, the company entrepreneur Reinhard Meier stepped down as CEO.

From a strategic, an operative, and also especially from a financial viewpoint, the business year was one of the most successful years in the history of the company.

The merging of the companies IMA and ITDL acquired in 2005 into the organization has been completed, and can be rated as well done. TRIPLAN has significantly profited due to both acquisitions: On the one hand, with respect to the expansion of the revenue base; on the other hand, with respect to the inflow of know-how. Our personnel flexibility increased also – this in times of a perceived lack of engineers everywhere, an aspect not to be understated.

Important milestones of the year 2006 was the implementation of the Branch Center conception, as well as the establishment of the company TREVIS Engineers AG in Switzerland (the TRIPLAN Group is a 51% shareholder within this operation).

We come closer to important strategic objectives by achieving these milestones: On the one hand, we want to reduce our relative industrial branch dependency to the chemical industry by penetrating more into growth market domains for Mineral Oil / Petro-Chemistry, and Pharmaceutical / Fine-Chemistry / Foods. On the other hand, it is important to further expand our excellent market positioning held today in the core business of on-site customer support.



Left: Peter Kabisch, Manager at TRIPLAN Engineers AG, Switzerland

Right: Ottomar Berndörfler, Branch Office Manager, Merseburg

Far right: Albert Krawutschke, Branch Office Manager, Burghausen



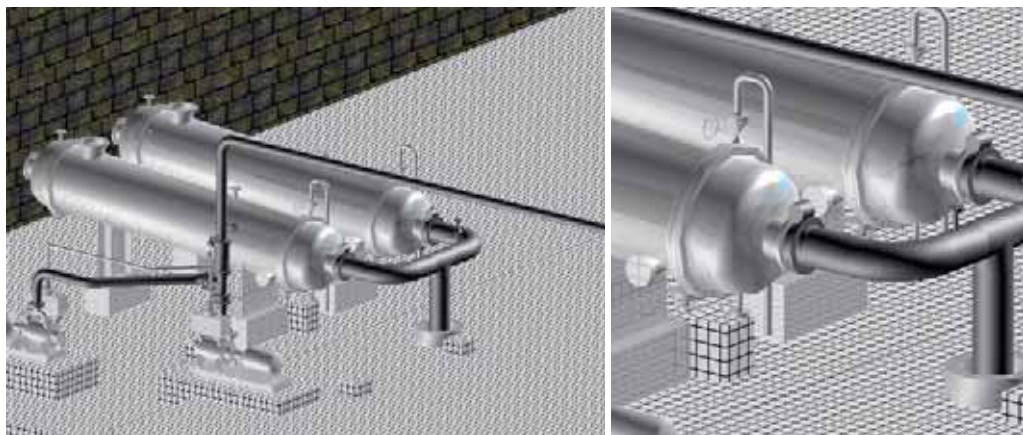
### Successful Implementation of the Branch Center Conception

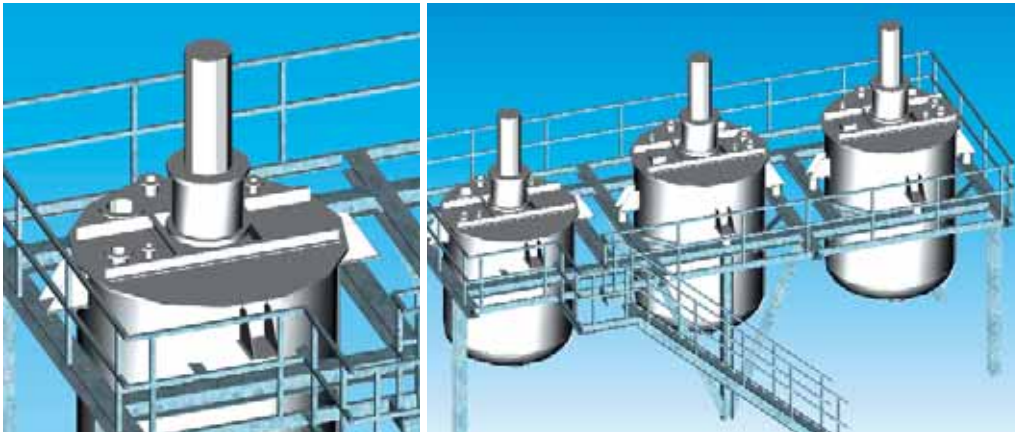
As of July 2006 and in order to respond better to the changed market requirements, TRIPLAN has newly been restructured. The existing decentralized branch office structure, thus which is in near proximity to the customer (with locations at Burghausen, Krefeld, Merseburg, Bad Soden, Hamburg, Leverkusen, and Karlsruhe, all in Germany), is enhanced by three new Branch Centers for the market domains of Fine-Chemistry and Life Science (Basel, Switzerland), Chemistry and General Plant Engineering (Leverkusen, Germany), as well as for Refinery, Petro-Chemistry, and Alternative Energies (Karlsruhe, Germany). The responsible managers of the Branch Centers are internationally experienced practitioners.

The changed requirements of many of our customers are the reason for this new organizational structure. Today, they are involved in an increasingly global competition for market shares and resources. We focus our core competencies in the area of project engineering at the three locations by implementing the new organizational structure. We are thus optimally adapted to the changed market requirements. Yet, this does not mean that proven structures are thrown away. Moreover, an expansion of regional structures is performed by implementing an overregional / international structure.

This expansion is a definite value-add for our customers. Nothing actually changes to the proven structures with regard to business-as-usual within the framework of regional projects and customer support. Today's contact partners for our customers remain the same, and are available for future project and planning tasks at any time. For large, especially for over-regional projects, the local staff members are enhanced by expert knowledge delivered by the Branch Centers. Thus, the customer can attain even better access to the whole know-how of the TRIPLAN Group at any location and within any project phase.

The experiences of the first months show: We could display and focus the total competency of TRIPLAN Engineering to the market more sharply due to the implementation of Branch Centers in the market domains





of Chemistry, Refineries, and Fine-Chemistry. We receive very positive feedback from the market for this; first large projects are already in process. The Branch Centers also enable us to continue on-site customer support services successfully within each branch office due to the enhancement of local personnel resources.

Not but least, this unfolds into a further internationalization of TRIPLAN Engineering business capabilities for projects with global players coming from Germany, Switzerland, or from Austria, but also outside the EU. Thus, the TRIPLAN Group has completed the transition from regional service provider to an internationally scaled provider.

#### Establishment of TREVIS Engineers AG

TREVIS Engineers AG, located in Basel, Switzerland, mainly provides special engineering services in the market domains of Process Engineering Technology, Safety Assurance, Economic Analysis, Environmental Protection, and Approval Management. The performance portfolio is rounded off by Expert Report services performed in the mentioned areas. The VR President and CEO Claude Kuhn looks upon yearlong experiences in the area of Engineering: He was active in different responsible functions at Ciba-Geigy AG (today: Novartis AG), and then he was responsible as CEO at Weyer and Partner (Switzerland) AG headquartered in Basel, Switzerland.

One of the company's specialties: TREVIS works with a small core of staff members that access a network of independent specialists at demand and contingent to the project. For the majority, these are process technology engineers and scientists for the market domains Process Engineering, Safety Assurance, and Environment, which possess a high level of certified expert knowledge and also bring experience from various industries and company domains. Thus, new teams are always created, again and again, contingent to the project and contract scope – so-to-say a „virtual“ company. Nonetheless, TREVIS also recruits specialists from staff members of TRIPLAN AG.



Left: Peter Stromberger, Branch Office Manager and Branch Center Manager, Leverkusen, Germany  
 Right: Ralf Gast, Branch Office Manager and Branch Center Manager, Karlsruhe, Germany



Far left: Lothar Quick, Branch Office Manager, Krefeld, Germany

Left: Dr. Hans Joachim Kupper, Branch Office Manager, Hamburg, Germany

Right: Joachim Mayer, Project and Sales Manager, Northern and Middle Germany



We will further continue the expansion of our service portfolio in the business domain of Engineering by offering special engineering services for high-tech niche markets by employing TREVIS engineers. The competency network, which is extensively networked, allows arranging for experienced teams for the solution of complex interdisciplinary project tasks.

#### TRIPLAN Profits from the General Lack in Engineers

In Germany, the year 2006 was marked by excellent personnel workload by practically all plant manufacturers and plant engineering service providers. Generally, engineers were in demand – yet this lack of engineers was a problem during the processing of contracts for many companies. However, TRIPLAN could provide the needed resources in the project area “in-house” in short-term due to the implemented decentralized organizational structure, as well as the strategic alignment towards three significant industrial branches.

In the year 2005, this „flexibilization of staff members“ resulted into an increase of the personnel workload to 82%, then to a handsome personnel workload of 95% in the subsequent year. A further advantage of a decentralized organization is the fact that we could recruit additional personnel from the regional market (from competitors, universities, job searchers etc.), which is more difficult for a centralized organization, e.g. those located in Munich or Frankfurt. In addition, TRIPLAN has grown by about 70 staff members due to acquisitions (IMA, ITDL) during 2005.

We also access more to already existing resources located in the Czech Republic and the newly established cooperations located in Russia and India. One reason is that personnel available there with according education and the necessary IT tools, the other reason is the requirement to operate with a hybrid costing strategy for business in international projects.

Last, but not least, we have access to about 165 independent freelance members upon demand, with whom TRIPLAN has already cooperated with successfully up to now.





Far left: Petra Ernst, OnSite Engineering  
Branch Office, Bad Soden, Germany

Left: Milan Vojir, CEO TRIPLAN Engineer  
at right top, Prague, Czech Republic

### Forecast 2007: Continuously Well-Performing Demand Expected

For the year 2007, TRIPLAN furthermore expects to face a favorable demand for engineering services. The continuing economic recovery and growth within the industry domains Chemistry and Fine-Chemistry, which are important for TRIPLAN, the development of the regional network, the increased focusing to our core areas to date, and also the entry into new niche markets will allow us to enjoy healthy growth. We see a realistic growth potential of 30 to 40% until the year 2009.

Notable contracts, which will keep us working beyond 2007, are for example:

- EPCM Project Kata Leuna (Shell Global)
- FEED contract for an alkalization complex (based on a new process technology license from UOP) for the BAKU Refinery (Azerbaijan)
- Agreement regarding the detail engineering of the „New Ingredients Facility“ for Novartis, Basel, Germany
- EPCM agreements with Wacker Siltronic.

#### **THESE ARE THE STRENGTHS OF TRIPLAN ENGINEERING:**

- Close cooperation with the development, production, and engineering teams of the plant operators in all project phases, from conceptual design to start-up of the facility
- Efficient integration of state-of-art planning tools, such as the self-developed software tools of the TRICAD and CADISON family
- Establishment of centralized lifecycle databases for the plant operators from the developed engineering databases resulting from the framework of project processing
- Professional project management and controlling by experienced project managers
- Qualification/validation of all project work packages and the whole facility
- Our own integrated management system for the securing of quality standards (certified in accordance with DIN EN ISO 9001)

# Technology Services

Software solutions „From Engineers, For Engineers“ – This is a specialty within the product line offered by the business domain Technology Services, a subsidiary of TRIPLAN. Operative business for IT products and IT services are performed by the subsidiary companies ITandFactory GmbH and ITandFactory AG. Multi-trade and also platform-independent industrial branch solutions from the TRICAD and CADISON family for the areas Building Technology/Automotive and Plant Engineering Planning are well integrated into the market and are accepted by the professional environment.

More than 4,000 installations worldwide testify of this recognition – We are thus one of the largest suppliers for complete solutions in the area of Industrial Services. The base of this success is the identity of the ITF staff members to appear as „Solution Providers“, and to offer customer solutions and process orientated IT products including the relevant conceptions. IT tools are a means to achieve objectives for ITandFactory – and by no means ends in itself. Just as mentioned „From Engineers For Engineers“.

Since many years Development of special applications for the car industry is succesfully forwarded by our development centre the Venturis GmbH. Here applies software "From Engineers for Engineers" too..

The market success shows that we are well aligned with this philosophy: Up to now, 2006 was the best business year for ITandFactory! These milestones have contributed to this success:

- General licenses for TRICAD MS (technical building equipment) were now installed at all four German automobile companies (DaimlerChrysler, Audi, VW, BMW); TRICAD MS has thus strengthened its position as standard solution for digital plant planning.
- International roll-out of CADISON software to the customer Alfa Laval (now also in Sweden, India, etc.)
- Very successful business with the visualization software NavisWorks in the year 2006; ITF is the most successful reseller within Germany
- New staff members could be recruited, and be successfully integrated, especially for the market domain ‚Process‘ of the business product CADISON; they have already made significant contributions so that we could achieve a good result.
- Establishment of new partners in Russia (for CADISON and TRICAD MS); Giprohim in St. Petersburg could be acquired as first start-up customer in December 2006.

As to the latter item: For ITandFactory, the development of activities in Russia was an important strategic decision, a large step on our way towards internationalization.



Far left: Bernd Henrici, CEO ITandFactory GmbH,  
Bad Soden, Germany

Left: Georg Kremer, CEO ITandFactory GmbH,  
Bad Soden, Germany

Looking back to the year 2006, we can make out the following: Our key-account customers possess great trust in the further development of ITandFactory – and they also display this by demanding services, and by making investments in the new modules of TRICAD MS and CADISON. This also applies for our ‚internal‘ customers within the TRIPLAN Group: The branch offices in Leverkusen, Krefeld, Merseburg, and Basel have chosen CADISON as plant engineering planning solution in the year 2006.

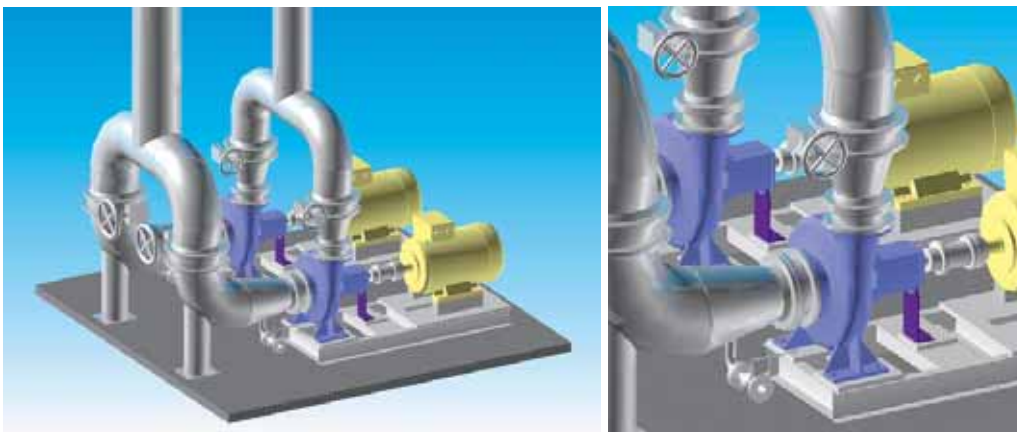
Prominent names are found in the list of new customers: MGroup, Weyer + Partner, EDAG, SMS Mevac, Julius Montz, TMS Turbomachines, EPC Celle, Kanis, VPT Compressors, WPW, ROFA, and KET, as well as IB Brundobler.

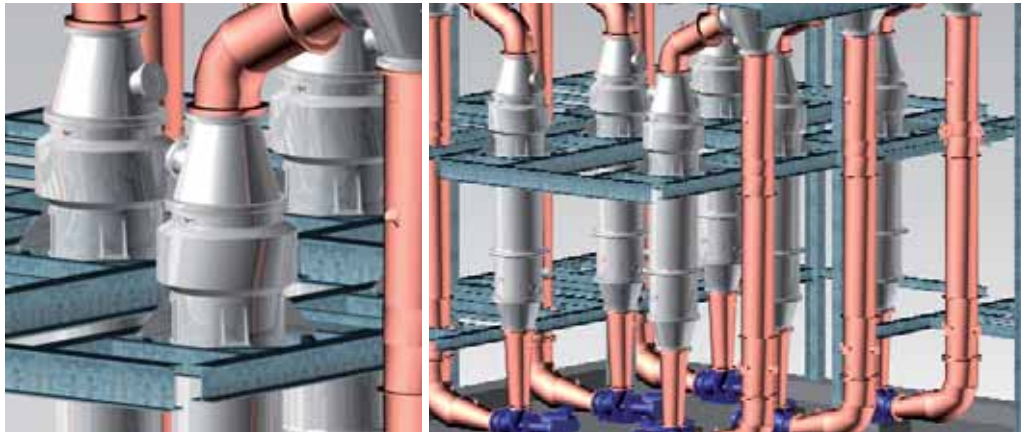
#### **TRICAD: Will be an International Success Together With NavisWorks**

The present excellent economic situation for German plant manufacturers and component suppliers mandates that ITandFactory structures itself more international. The reason for this is: Large multi-national companies and also many mid-size companies are investing into production facilities in foreign countries in order to be able to serve their markets more quicker and more focused. This applies to the Automobile industry, as well as for Chemistry and Petro-Chemical companies. The suppliers follow them to foreign countries in order to stay in business.

For this reason, IT companies must offer the according language variant for the planning software used there – For example, ITandFactory now offers TRICAD versions in German, English, Spanish, Italian, French, und also Russian language in the future. The Russian market was also a significant launching point for the partnership with ITF Software Moscow: Now, plant and equipment engineering planers have a local contact partner available for CADISON and TRICAD MS.

Last, but not least, the new developments within NavisWorks JetStream are also interesting (background: ITandFactory is a premium partner for NavisWorks within the DACH – Germanic language – region). Full language





support for German, Japanese, Chinese, and French (only GUI), and the import and export of AutoCAD 2007 files are significant innovations within NavisWorks JetStream Version 5.1. Significant improvements in query performance during the search and display of properties may be pointed out.

These were the development highlights for **TRICAD MS** during 2006:

- The new BMW Layout Module was completed
- A new quality tool for blueprint inspection was developed for the automobile industry
- The new software Release 7.5 was rolled-out.

TRICAD MS will soon be changed from bottom-up – not only the screen display, in order to secure a unified look-and-feel experience; the changes shall impact the structure of the software. The objective is to enable the complete porting and adaptation to fit to MicroStation XM.

Within the product domain of **TRICAD Original**, we have completed and rolled-out software Release R12.0. From a content viewpoint, a new and modern licensing safety system and an online help was integrated – next to the bug fixing. TRICAD Original is still well established on the market, at key-account customers, as well as at TRIPLAN branch offices. The furthering development of Release R12.1 will be continued during the year 2007. Within the product domain of the **PIPE series**, phase-out of the product has been completed; the migration service offers to switch to the technology solution CADISON, which was accepted by key-account customers.

#### **CADISON: New and enhanced features**

During the year 2006, two CADISON releases were rolled-out to the market. CADISON R7 already offered extensive new and furthering developments, as well as special customer add-ons. The release notes amount to 137 pages now – indeed, ITF developers have implemented a large package of innovations. For example, significant new functions are the Pipeline Consistency Check, a new Socket Assistant, and the opportunity for Isometric Revisions, and the Availability Assessment of Switching Points for measuring and control technology (MSR).

Also new interfaces were created – for example, API (Application Programming Interface, access opportunities to database content), Cadenas PARTsolutions (scanning of parts from catalogs), Aucotec, and DB Integration.

Release 7.1 was the middle-point of interest in the year 2006. The actual version of the plant planning software was featured with completely new modules, as well as the furthering development of single features – yet, always focused on the objective to deliver capabilities to the user for further efficiency enhancements. The significant innovations of this release are:



- CADISON Catalog Check (CCC): An inspection routine to check if a fitting from the library is still up-to-date, for example.
- CADISON Archiver: This routine archives complete projects, and thus enables storing; the Archiver also offers the independent opportunity to view project data.
- A PDF Exporter was implemented in order to enable quick documentation and fast-forwarding of the planning status.
- A free add-on was included, a new and very quick performing Viewer (Voloview3), which opens in its own window.

Furthermore, a breakthrough for the implementation of fully shaded 3D plant planning was achieved by featuring add-ons and improvements within CADISON R7.1. Now, the user can immediately process all details (namely: full shading functions), also within large plant facilities during planning and coordination. The reactions of the users was interesting, from those who immediately recognized the saving potential. Some users estimated that savings between 10 and 30% are possible, compared to the previous mouse click process (frequent switching of screen views, snatching the correct point, etc.)

The newly created modules and features developed by the ITF software specialists ease the daily planning work for CADISON users, and open further opportunities for efficiency enhancements. It is not surprising that ITand-Factory is a UAR partner (Unique Application Reseller) and also AAR partner (AutoCAD Authorized Reseller) of Autodesk. ITF was defined as significant application partner in connection with CADISON as plant engineering solution within the vertical segment of the processing industry.

As a future beta sneak peek, the project "Night Fox" was presented, which represents the relevant objectives for the next 2 to 3 years within CADISON product development. Thus, the basic scope is established for future versions of CADISON R8 + R9.



Left: Arno Hausburg, Controlling & Investor Relations, TRIPLAN AG, Bad Soden, Germany  
 Right: Ralf Lehmann, CEO ITandFactory AG, Gebenstorf, Switzerland

### Outlook: Growth is planned up to the year 2009

The present economic situation for German plant manufacturers and component suppliers is the base that ITandFactory can further enhance its market positioning. We expect that more companies will choose to invest in uniform IT solutions in the future, due to the positive economic framework conditions.

Internationalization will further proceed step-by-step. Further cooperations in South Africa, South America, and Asia will soon follow next to the existing sales partnerships in Europe and Eastern Europe.

Expansion into target groups around the areas of Food & Beverage, Nuclear Plant Technology, Processing Industry, and Logistics will also contribute to the success of ITandFactory.

The software share of these revenues should increase from presently 33% to 50% by 2009.

#### TREND 1

What is being practiced within the Automobile Industry for a longer time already, is now also being observed within the planning domain of Chemical and Pharmaceutical facilities: Building and plant engineering planning are merging together into a common 3D model. ITandFactory will profit from the demand for well performing and capable IT tools.

#### TREND 2

For house technology planners, the energy efficiency of buildings now lists high in priority lists. Not only because legal policies specify the requirements (German Energy Saving Regulation, EnEV), but also in order to make the planned building more attractive for the utilizer / leaser – catchword ‚2<sup>nd</sup> Rent‘. Yet, energy-efficient planning is by no means trivial. For someone that has informed one’s self about the topic, one is quick to realize that: A satisfactory solution is only possible by implementing a holistic approach. In fact, all trade work performed must fit together. This is only achieved by the help of 3D planning due to the complexity of large buildings. Furthermore, an efficient energy management approach needs an integrated electrical workflow and integrated cost calculation programs – this 3D world is only offered by ITandFactory.

# Group Management Report

## Business Situation and Strategy

### Group Structure

#### Decentralized Organizational Structure

The TRIPLAN AG of Germany is the holding company of the decentral-structured TRIPLAN Group, with seven branch offices located in Germany and six subsidiary companies located in Germany, Switzerland, and the Czech Republic. The consolidated entity includes TRIPLAN Engineer AG of Switzerland, ITandFactory GmbH of Germany, ITandFactory AG of Switzerland, TREVIS Engineers AG of Switzerland, and Venturis GmbH of Switzerland.

#### Keeping Pace with the Markets

TRIPLAN has adapted the organizational structure to the changed market requirements during the business year, and has further developed its international alignment by establishing TREVIS Engineers AG, and by bundling engineering competencies into three Branch Centers. The new Branch Centers enhance the proven on-site customer support services due to their market-orientated international alignment.

#### Efficient Customer Support Service

Branch offices and subsidiary companies perform quickly and flexible on the market, due to decentral-organized business processes. At the same time, they profit from the financial, personnel, and know-how resources of the TRIPLAN Group.

Two duly responsible Executive Board Members manage TRIPLAN AG. Three Supervisory Board Members appoint, monitor, and consult the Executive Board. Their duly responsible Chief Executive Officers manage subsidiary companies and branch offices. Executive Board Members and CEOs of the subsidiaries and branch offices consult with each other regularly. Details regarding the structure of the shareholds and the structure of the business entity organs are found within the enclosed attachment.

## Controlling

The Controlling function of the Holding targets to achieve a sustainable increase in shareholder value. It ensures strategy-conform implementation of Executive Board decisions at operative level. The Executive Members possess various Controlling and Monitoring functions for the command of typical business risks and for the validation of economic success. Environmental changes occurring are immediately registered so that TRIPLAN can react in an up-to-date fashion. The Controlling process is based on a multi-level direct-costing accounting approach. The results are reported to the Executive Board from the operative level via the profit centers.

## Personnel

It is a requirement to have access to highly qualified and motivated staff members in order to continuously provide market and technology leaders with outstanding engineering and IT performances worldwide. TRIPLAN knows how to permanently link personnel with know-how and high-performing behavior to the company, and how to recruit new talents by implementing an attractive personnel development system and a performance-orientated reward system, which adequately participates successful staff members to the success of the company. We also have access to expert knowledge of freelance personnel in the course of project work.

As of December 31, 2006, TRIPLAN employed 285 salaried employees and 165 freelance personnel (in the previous year, 263 salaried employees and 130 freelance personnel).

## Executive Board

The Executive Board has two board members. Compensation is comprised of a fixed and variable share. The variable share is basically linked to the achieved EBIT.

## Segments

Two business domains provide the performance spectrum of TRIPLAN: Engineering Services and Technology Services. The latter is further structured into engineering services and industry branch specific IT solutions (CAD/CAE, lifecycle data management, and project management tools). Valuable synergies are released to the customer within this combination. Yearlong customer relationships have unfolded into a significant cross-selling potential.

## Business Domain Engineering Services

The business domain Engineering Services supplies high-tech engineering services for the manufacture of complex production facilities worldwide. It offers excellent expertise within industrial branches, such as the Chemical, Pharmaceutical, Petro-Chemical, and Bio-Technological industries, as well as within the market domain Food. As independent and neutral general management and component planner, TRIPLAN is responsible for the engineering of restructuring projects, new development projects, modernizations, and special multiple product facilities due to business contacts to market and technology leaders built in yearlong efforts, and to business contacts to new customers.

The decentral-organized business domain is present in seven branch offices and three subsidiary companies that are located at the large chemistry venues within Europe in a near-customer fashion.

### **New Organizational Structure**

The business domain profits from the lasting economic uprise within the chemical and pharmaceutical industry due to the consequent alignment of its organizational structure to the changing requirements of the market.

### **Profit Jump Compared to the Previous Year**

In 2006, the total performance of the business domain rose to 34.4 million € (previous year 19.6 €). Operating profits (EBIT), prior to interest and taxation, increased to 2.458 T€ (previous year 387 T€). Sales revenues increased to 34.4 million € (previous year 19.4 million €). Thus, the business domain Engineering Services achieves 85% of total sales revenues (previous year 77%).

### **Strengthening of International Alignment**

In 2006, intensive locally-performed customer support was enhanced by the successful implementation of the cross-regionally aligned Branch Center conception. Its efficient and flexible structure meets the requirements of an every changing global market. It represents the whole competency base of TRIPLAN Engineering Services, and bundles its core competencies in three locations: Karlsruhe in Germany (Refinery/Petro-Chemistry), Leverkusen in Germany (Chemistry/General Plant Engineering), and Basel in Switzerland (Fine-Chemistry/Life Science). It delivers local team access to the resources of the Group for larger cross-regional projects.

### **Good Market Resonance**

Global players in Germany, Switzerland, and Austria reacted positively to the gain in competency. In Leuna of Germany, TRIPLAN was awarded with the contract for basic engineering services within the project KATALEUNA; in Baku of Azerbaijan, it received a contract for the conceptional and baseline planning of a refinery expansion; in Basel of Switzerland, it acquired the contract for the detail planning of a new ingredients facility – in total, a fee volume of 15 million €.

### **High-Value Engineering Performances for New Markets**

As of 2006, the newly established TREVIS Engineers AG of Basel, Switzerland is a cornerstone of the new organizational structure. Next to investment consulting, the globally aligned subsidiary company supplies high-value engineering services, feasibility studies, conceptional designs, risk assessments, and economic analyses, as well as the creation of expertises. TREVIS strengthens the international alignment of the Group due to its expertise.

### **Takeovers Successfully Integrated**

In 2006, the successful integration of the operative business of IMA Ingenieurgesellschaft mbH, which was implemented within an asset deal for takeover, has increased market penetration and affected revenues and profits positively. The company ItDL, which was also taken-over in 2005, was merged into TRIPLAN AG for the optimization of processes and for the expansion of personnel resources within the Branch Centers for Refinery/Petro-Chemistry.

TRIPLAN Engineering Services has thus set two milestones on its path to become a global player, by implementing the Branch Center conception and the establishment of TREVIS Engineers AG. The business domain has pursued its strategic objectives in a consequent and very successful fashion: Expansion of the Strong Market Positioning for On-Site Customer Support. Widening of the customer base by displaying strong efforts in the growth market domains Mineral Oil, Petro-Chemistry, Pharmaceutical, Fine-Chemistry, and Food. New engineering services are delivered by providing high-value engineering. On-site customer support is delivered worldwide.

## Business Domain Technology Services

Technology Services develops and markets high-value CAD/CAE applications and software for suppliers and equipment companies within the areas of factory and plant engineering. The business domain supplies the whole spectrum of cross-configured IT infrastructure as performed within its internationally structured company ITandFactory GmbH, and two subsidiaries located in Switzerland. From plant, factory, and building technology planning via life-cycle data management to IT consulting. As a system partner of the customer, the business domain provides yearlong process know-how enhanced by TRIPLAN Engineering Services.

### Solid Key-Account Customer Business

In 2006, Technology Services was able to maintain its good market positioning due to the development of the product line for TRICAD MS within the automotive environment and the market domain for Heating – Air Conditioning – Ventilation. In the market domain for Plant Facilities, the business domain Technology Services defended the strong market positioning of the CADISON product line. The export share was further increased.

### Affirmation of Pre-Year Profit Results

In 2006, the total performance of the business domain rose lightly to 5.83 T€ (previous year 5.814 T€). Operating profits (EBIT), prior to interest and taxation, achieved 638 T€ near to the results of the previous year 635 T€. Sales revenues rose by 7% to 5.6 million € (previous year 5.2 million €). Thus, the business domain Technology Services achieves 14% of total sales revenues (previous year 23%).

### Potential for New Markets

Both core products of the business domain Technology Services – TRICAD MS und CADISON – set new scales for building and plant planning with regard to the success factors time, cost, and quality.

The software TRICAD MS enables the planning of automobile factories in 3D displays within the market segments Automotive and Building Technology. Its furthering development is performed in cooperation with the automobile industry. The business domain develops new conceptions for the transfer of the Digital Factory into other industrial branches. Application areas range from Conveyor and Platform Technology via Cranes, Steel Building, and Enameling Facilities to Sanitary and Routing Planning.

In the market domain of Plant Planning, TRICAD MS and CADISON both offer integrated solutions from the pre-calculation of costs to the documentation of the facility – even with interfaces designed for SAP software. In 2006, marketing activities were extended into the marketing domain of Food & Beverage.

## Business and Economic Situation

### Long Period of Prosperity

The German ifo economic indicator for worldwide economic performance achieved a six-year peak in 2006. As the U.S. economy again slightly slumped, economic growth consolidated in Euro countries. The German economy proceeds steadily in its economic growth. The gross domestic product (GDP) increased by 2.5% compared to the previous year, as reported by the German Federal Administration for Statistics. Thus, the increase was more than double as strong as in 2005. German exports rose by 12.4%.

The economic performance of the developing countries still behaved positive. The economic performance of the emerging national economies in South and East Asia appear hardly to behave slower. The oil producing

countries in the Near East and the Commonwealth of Independent States (CIS) still display strong growth. In South America, especially the oil producing countries profit from the high resource prices.

### Industrial Branch in Upwind

Also in 2006, the market and growth drivers came from the Chemical, Pharmaceutical, and Petro-Chemical industries. Planning and engineering service providers still profited from the unchanged trend towards outsourcing, which was additionally feed by continuously increasing documentation requirements (GMP and FDA) and the time-to-market style competition.

Ever-smaller development cycles and the continuous focusing of customers towards their core competencies open favorable growth perspectives for engineering service providers. The market domains Mineral Oil Industry, Petro-Chemistry, Alternative Energies, Chemistry, Fine-Chemistry, Pharmaceutical, Food and Beverage, as well as Life Science still offer a high potential.

Next to the opportunities, also market requirements demanded from engineering service providers have increased. Service providers must be in the position to accept all-inclusive consulting, planning, and service tasks. It is expected that the service provider ensures for the continuously increasing return requirements as specified by the world market for real capital investments by employing effective engineering solutions – at a price offer that withstands the global competition pressure.

### Company Strategy

The intensive competition on global markets demands full exploitation of all productivity effects of new technologies for the benefit of the customer from engineering and IT service providers. As a German engineering company with about 40 years of industrial branch expertise, TRIPLAN is especially qualified for this task. For this reason, we have set the objective to be the preferred development and engineering partner for our customers worldwide.

TRIPLAN has significantly neared this objective due to a series of strategic measures performed during the year reported. On the one hand, they reflect the trend towards globalization of the markets; on the other hand, they reflect the desire of the customer to outsource more complex tasks.

In 2006, we have complied with these developments by implementing a new organizational structure for the business area of Engineering Services. The introduction of cross-regional Branch Centers clearly show the wide performance spectrum of the Group, which subsequently expand the customer base, and strengthen the core performance – On-Site Customer Support. The establishment of the internationally aligned TREVIS Engineers AG expands our consulting and planning competency, and positions TRIPLAN as a technology and engineering partner, who accompanies its customers on-site worldwide.

The new structure lowers costs thanks to more efficient processes and higher productivity. At the same time, it accelerates development cycles due to direct access to the resources of the Group. The positive market resonance shows that our offers even fit into an international context and can be deemed as continuously reliable.

### A Very Favorable Business Development

The year 2006 was the best business year for TRIPLAN since its existence as stock company – and one of the best in its 40-year company history. The implemented measures for the optimization of Engineering Service and for the improvement of processes as performed throughout the year have displayed their impact. The total performance increased by 59.0% to 40.3 million € (previous year 25.4 million €). Thus, the company has clearly

out-performed its self-set objectives. The rise of total performance amounting to 14.9 million € is based on organic growth to 82.3%, and on acquisition-contingent growth to 17.7%.

Operating profits (EBIT), prior to interest and taxation, increased to 1,562 T€ (previous year 41 T€). This is especially due to the high level of capacity workload achieved and the more efficient organization. Profits (EBT), prior to taxation, rose to 1,587 T€ (previous year 18 T€).

The equity ratio rose to 52.3% (previous year 46.5%) due to a capital asset increase, and the profit results achieved. We financed the growth of Engineering Services with asset inflows resulting from cash capital increases. As of December 31, 2006, liquid assets amounted to 4.0 million € (previous year 1.5 million €) in total. This resembles an increase by 176%. A part of the liquidity is bound in fixed-term deposit investments for the security of credit limits, and issued bills of guarantee. Interest rate volatility does not have significance to our business.

The liquid assets were faced by short-term liabilities amounting to 5.3 million € (previous year 4.2 million €). The number of staff members also increased to 285 (previous year 263), due to the favorable contract situation.

The strong business development shows that we have fully transitioned from a locally operating engineering service provider to a global player. The large efforts of the past years yield fruits. TRIPLAN has over-averagely profited from the favorable development of the world economy. As of December 31, 2006, full order books secured a workload partly stretching into the year 2008. The Executive Board expects a sustaining positive business development in view of the favorable economical framework situation.

## Profits, and Financial State and Condition

### The Best Profit and Financial State and Condition Since Establishment of the AG

TRIPLAN convinces in this financial report year with the best profit/financial state/condition since establishment of the AG. The reasons for this are clear to be stated: We have structured the company during the financial report year in such a fashion that it upholds the development pace of the markets. The increased customer requirements reflect themselves in their increased global alignment, and the customer's tendency to contract more complex engineering services to external development partners, but it also reflects itself also in the smaller number of customers resulting from mergers.

### New Organization Is Very Successful

In 2006, TRIPLAN invested into the optimization and international alignment of the organization, and positions itself wider within the market. The investment into the new structure made us more independent from the development of single segments, enhanced cross-selling, developed completely new markets, and thus performed a significant contribution to the securing and growth of the company.

An example for the international alignment of the organization was the establishment of TREVIS Engineers AG, Switzerland, in which TRIPLAN possesses a sharehold of 51%. Furthermore, the company expands the engineering service portfolio into high-tech niche markets.

The measures for the rise in growth for Engineering Services were financed by asset inflows resulting from a fully cash capital increase performed during the financial report year.

Also, the successful integration of the operative business of IMA Ingenieurgesellschaft mbH increased market penetration and released synergies, which affected revenues and profits positively, during the financial report year.

## Profit Situation

### Engineering Services exceeds all expectations

The sales revenues of the business domain Engineering Services increased by 77% to 34.4 million € (previous year 19.4 million €). That makes 85% of the Group sales revenues. At this volume scale, our measures for efficiency improvement and cost reductions have significantly made an impact. Operating profits (EBIT), prior to interest and taxation, increased to 2,458 T€ (previous year 387 T€). Material costs increased by 100% to 14.1 million € (previous year 7.0 million €). Within the framework of the business growth, personnel costs increased under-proportionally by 35% to 15.2 million € (previous year 11.3 million €).

The business domain contributed 34.4 million € (previous year 19.6 million €) to the total performance of the Group.

### Technology Services Is Well Positioned

The revenues of Technology Services over-performed the revenues of the previous year at 5.621 T€ (5.238 T€). Material costs remained under the costs of the previous year at 798 T€ (860 T€). Personnel expenses sank lightly to 2,830 T€ (previous year 2,867 T€). Actively balanced internal labor amounted to 250 T€ (previous year 540 T€). The business domain's contribution to total performance amounted to 5,831 T€ (previous year 5,814 T€).

Finally, the operating profits of the Group rose significantly to 1,562 T€ (previous year 41 T€). The balance between interest expenses and profits amounted to 25 T€ (previous year –23 T€).

As a principle, currency profits or losses do not occur at TRIPLAN. All business transactions are performed in Euro, and in Swiss Francs for Switzerland. Profits (EBT), prior to taxation, rose to 1,587 T€ (previous year 18 T€). Naturally, the significant profit improvement also impacted expenses for taxes, which amounted to 326 T€ (previous year 283 T€).

For 2006, annual returns increased significantly to 1,282 T€ (previous year –265 T€). This means a turnover profitability of 3.2%. Returns per share amount to 0.15 € (watered: 0.14 €) based on an average of 8,831,258 shares.

### Sales Based On Regions

From a regional viewpoint, TRIPLAN booked revenues in Germany amounting to 22,541 T€ (previous year 13,774 T€), in Switzerland 14,709 T€ (previous year 8,740 T€), in Austria 1,033 T€ (previous year 1,053 T€), in Denmark 93 T€ (previous year 120 T€), in the UK 76 T€ (previous year 100 T€), and in France 89 T€ (previous year 77 T€). For the year 2006, new regions were Azerbaijan amounting to 678 T€, and the Netherlands amounting to 617 T€. Other countries amounted to 97 T€ (previous year 716 T€).

## Financial State and Condition

The Group balance sheet displays a solid structure. Stable cash flow and capital increases improved the equity ratio.

### Stabile Cash Flow

Due to favorable workloading, cash flow resulting from operative business rose to 1.5 million € (previous year 0.3 million €). That means an increase of about 400%. Planned depreciations increased by 25% to 966 million € (previous year 966 million €). Investments lowered by 50% to 0.6 million €: The high investment sum of the previous year, amounting to 1.2 million €, is a result of the executed asset deal. Liquid assets for the development of strategic and international projects and the revenue growth of the business domain Engineering (Branch Center and 51% sharehold to TREVIS Engineers AG) resulted from a cash capital increase.

The sum of all liabilities increased by 22.2% to 8.9 million € (previous year 7.3 million €). Long-term interest loans amounted to 31 T€. Other long-term liabilities result from leasing agreements that are to be evaluated as financial lease in accordance with IFRS/IAS, and are thus activated within the balance sheet and are depreciated throughout the duration of use.

Other contingency reserves increased to 2.3 million €. This increase is a result of the favorable business development with regard to reserves for vacation, flexible working hours, and profit sharing.

The reduction of long-term liabilities is especially a result of the conversion of convertible bonds. Collaterals for the remaining liability of about 31 T€ were substituted by cash deposits.

In spite of the higher level of business volume, short-term liabilities resulting from accounts payable only increased to 2.8 million €. This here results especially from fees of freelance experts that are assigned to project work.

In the year 2004, the NORD/LB Bank proclaimed a claim waiver towards the Group; the resulting schedule for renewal lasts until December 31, 2008.

Due to the favorable business situation, accounts receivable of TRIPLAN increased to 7.2 million € (previous year 5.4 million €). Unused credit lines amounted to 0.8 million €. Interest returns contributing to the annual return amounted to 25 T€ (previous year -23 T€). Balanced internal labor of the Group amount to 250 T€ (previous year 540 T€). As in previous years, dividends were not distributed.

Performance guarantees amount to 0.9 million € due to obligations resulting from projects. Regular bank collaterals were presented to cover these.

### Improvement of Balance Sheet Ratios

The balance sheet sum increased by 37% to 18.8 million € (previous year 13.7 million €). The achieved high cash flow, and our up-to-date management of resource capacities, and of accounts receivable and accounts payable contributed significantly to the improvement of the balance sheet ratios. The equity ratio rose to 52.3% (previous year 46.5%). Equity increased to 9.8 million € (previous year 6.4 million €) during the financial report year. A real capital increase (plus 363 T€), a fully executed cash capital increase (plus 692 T€), and the conversion results of the convertible bonds (plus 272 T€) contributed to this. In total, TRIPLAN AG gained liquid cash amounting to 2.1 million €. Short-term liabilities amounted to 7.6 million €.

In the year 2005, issued convertible bonds were converted in rotational fashion. In the course, 272.057 convertible bond papers were converted at a ratio of 1:1 to no-par bearer shares of TRIPLAN AG.

As of the balance sheet key date, the profits, and financial state and condition of TRIPLAN AG shows that we are a solidly financed company, who is in an improved economic condition.

## Supplement Report

In a supplement report, activities of special significance are to be stated that have occurred after the financial business report date.

[Comment regarding the takeover offer of BEKO HOLDING AG](#)  
(for further details and information, see also [www.beko.eu](http://www.beko.eu))

On January 11, 2007, BEKO HOLDING AG (BEKO) published offer documents for the takeover offer to shareholders of TRIPLAN AG for the purchase of their TRIPLAN AG shares (WKN 749930, ISIN DE0007499303) amounting to 2.20 € per share.

Subsequently, TRIPLAN AG shall continue its business activities as independent company to date upon successful execution of the offer as a portfolio entity of BEKO HOLDING, yet it shall be able to utilize the advantages and synergies resulting from the relationship to the BEKO Group. Accordingly, BEKO HOLDING AG intends to uphold the business activities of TRIPLAN AG, yet expansions and changes that make sense from a strategic viewpoint shall be performed.

The furthering development as intended by TRIPLAN AG shall be supported; especially know-how of the BEKO Group shall be made available. Furthermore, a mutual strategic positioning for the market domains of E-Health and Product Lifecycle Management (PLM) services is intended. The offer documents include the assumption that a close cooperation between TRIPLAN AG and the subsidiaries of BEKO HOLDING AG, especially in the area of engineering services, will unfold due to the spatial and expert enhancement of both performance portfolios and the mutual strategic market positioning.

Within the offer document, BEKO HOLDING AG states it does not have intentions with regard to the usage of TRIPLAN AG assets or its future liabilities. Yet, the offering company intends to perform the financial optimization of TRIPLAN AG within the framework of legally permissible regulations. Furthermore, the re-financing of existing liabilities could also be included into this.

Upon successful execution of the takeover offer, BEKO HOLDING AG states that structural changes are possible within the future organizational structure of TRIPLAN AG, from which synergies may optimally be utilized that result from the cooperation with the subsidiaries of the BEKO Group. Such measures shall accordingly be implemented upon performance of a cost/benefit analysis. Presently, concrete plans do not exist, as certified within the offer documents, with regard to further structural measures upon execution of the offer, this in the sense of a control and profit transfer agreement, of a de-listing, or of an exclusion of minority shareholders.

Thus, the Executive and Supervisory Board of TRIPLAN AG further assume that the structure of TRIPLAN to date will not significantly change upon execution of the takeover offer. It is expected that new markets may be developed and that synergies may be utilized due to the enhanced integration within the BEKO Group, which thus may lead to positive affects to the profit and cost situation of TRIPLAN AG.

Employees may also be able to profit from BEKO's intention to include the business activities of TRIPLAN AG into the worldwide customer network of the BEKO Group, and to merge the capacities of both companies.

## Risk Report

For TRIPLAN AG, efficient risk management is a significant element of value-orientated management. As of 2003, the EDP supported risk management system of the Group displays up-to-date risks exactly and their volume. Insurable risks have been covered. Credit loss insurance was excluded with regard to the high credit rating of our customers. We reduce other risks, such as quality, spatial, or legal risks, as far as possible and necessary by implementing value adjustments, or by compensating them with reserves. We have improved the risk profile in a sustainable fashion during the financial report year.

### Improvement of the Risk Profile

#### Economy and Market Risks

As of 2006, we have developed new customer and product potentials due to the introduction of the new organizational structure. Our wider customer and product portfolio buffers economic volatility, eases the dependency from large customers, and stabilizes business activities.

#### Strategic Risks

The Branch Center conception and the newly established company TREVIS Engineers AG increase the potential and impact of the Group in a sustainable fashion. We shall continue this successful and flexible growth strategy, which is aligned to the market, in the coming years.

#### Financial Risks

The new organization and the wider positioning of the Group enable very high personnel workloading. The liquidity risk was reduced due to the resulting stabile cash flow. As of December 31, 2006, the high personnel workload is ensured partly into the year 2008 due to the contract situation. TRIPLAN rules out any currency exchange risks. All business transactions are performed in Euro, and in Swiss Francs for Switzerland.

#### Customer Risks

We minimize customer risks. Since decades, TRIPLAN fosters partnerly customer relationships to worldwide operating technology and innovation leaders with excellent credit ratings. We compensate residual risks by implementing evaluation adjustments.

#### Management Risks

Personally focused risks of management staff members, especially for TRIPLAN Germany and Switzerland, are minimized by supporting functions located in downstream levels.

#### Total Evaluation

The risk management system controls the whole risk situation of the TRIPLAN Group. Risks, which could endanger the existence of the company, are presently not visible.

#### Stock Market

Even in 2006, the stock market price developed in a sustainable fashion. As of the end of the year, TRIPLAN shares performed at 2.17 € (Xetra closing price) after performing at 1.80 € in the previous year.

## Forecast Report

### Favorable Investment Environment Worldwide

For 2007, steady industrial branch growth may be forecasted. Investment good manufacturers further look into the future with confidence with regard to the world economy that is still performing in a pretty robust fashion. In Germany, the economic acceleration has reduced somewhat. Supported by German exports, one may expect a real growth of gross domestic product GDP amounting to 1.5% to 2%. The readiness of the industry furthermore continues to invest in new facilities and to modernize existing ones within Germany and also worldwide.

### International Alignment

TRIPLAN has positioned itself very well at customers on-site due to its decentralized company structure in order to implement investment ventures of the industry. International projects are successfully processed due to the new Branch Center organization, which reflects the increased requirements of customers in a flexible fashion.

The new and load-capable structures allow us to support our customers within Europe and worldwide on-site, and to deliver integrated performances. The solid balance sheet and the stable liquidity of the Group ensure for sufficient financial power. For this reason, we shall expand by employing our own financial means and continue our proven growth path.

### High Growth Potential

For the business domain Engineering Services, we expect a potential of 15% organic growth until 2009: About 5% due to the economic uprise in the market domains Chemistry and Fine-Chemistry, about 5% due to the expansion of the regional network with new locations in Germany, and about 5% due to focusing toward core and niche markets together with our Branch Centers for the market domains Chemistry, Refinery, and Fine-Chemistry.

We estimate a strategic growth potential of 20%: About 15% growth due to the expansion of the performance portfolio for special engineering services within cooperations, strategic alliances, and M&A, as well as 5% growth for global engineering services due to the expansion of our global network.

Even the business domain Technology Services will expand its marketing position. For 2009, our revenue objective amounts to 10 million €. We want achieve 30% by means of organic growth, and 30 to 50% by means of strategic growth and cooperations.

We want to penetrate new markets by expanding our TRICAD MS and CADISON solution product line. We will push the transfer of the success product TRICAD MS (digital plant) into other industrial branches. The product offers high customer benefits in various industrial branches. We consider the market domain Food & Beverage to possess special potential.

It is expected that new markets may be developed and that synergies may be utilized due to the enhanced integration within the BEKO Group, which thus may lead to positive affects to the profit and cost situation of TRIPLAN AG.

We strive for partnerly cooperation by bundling our own strengths with the complementary strengths of a partner, where it shall be purposeful. For example, in the expansion of the product portfolio, and in the expansion of sales activities with the EU and Eastern Europe, as well as with Asia and North America.

As of our present planning status in the running year 2007, we expect a growth of total performance at about 42 million €, and an EBIT of about 2 million €.

You will find statements regarding reporting within the Group Attachment Chapter VI. (38), page 61, in accordance with § 289 paragraph 4 HGB (German Commercial Law) and § 315 paragraph 4 HGB (German Commercial Law), as required within the German Implementation Law for Takeover Regulation.

Bad Soden, dated March 8, 2007



Walter Nehrbaß



Heinz Braun

#### Legal Note

This report contains statements about the future, which reflect the present opinions of TRIPLAN management with regard to future events. Every statement within this report, which refers to intentions, assumptions, expectations, or forecasts, as well as base assumptions thereof, is such a statement about the future. These statements are based on plannings, estimates, and forecasts that are presently available to the management of TRIPLAN. For this reason, they only refer to the day they were made. Statements about the future are naturally subject to risks and insecure factors, which may lead to the event that the actual development significantly deviates from the events stated. For this, TRIPLAN shall burden no liability whatsoever, and does not intend to actualize such statements in the face of new information or future events.

## **Consolidated Financial Statements 2006**

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	2006	2005
	€ 000	€ 000
Sales revenue	40,013	24,620
Changes in inventories	-10	228
Other capitalized internal services	250	540
Other operating income	620	1,015
Material expenses	14,795	7,856
Personnel expenses	19,110	14,611
Depreciation and amortization	966	773
Other operating expenses	4,440	3,122
<b>Operating earnings (EBIT)</b>	<b>1,562</b>	<b>41</b>
Financial result	25	-23
<b>Earnings before taxes</b>	<b>1,587</b>	<b>18</b>
Income taxes	-326	-283
<b>Net profit / loss</b>	<b>1,261</b>	<b>-265</b>
Minority interest share in profit (loss)	21	0
<b>Net profit / loss after minority interest share</b>	<b>1,282</b>	<b>-265</b>
Earnings per share in € (undiluted)	0.15	-0.04
Earnings per share in € (fully diluted)	0.14	-0.03

<b>Assets</b>		
	€ 000	€ 000
	31 Dec. 2006	31 Dec. 2005
<b>Long-term assets</b>		
Intangible assets	4,654	4,961
Property, plant and equipment	559	401
Deferred taxes	493	464
	<b>5,706</b>	<b>5,826</b>
<b>Short-term assets</b>		
Inventories	420	433
Trade accounts receivable (debtors) and other receivables	8,597	5,968
Cash	4,045	1,463
	<b>13,062</b>	<b>7,864</b>
	<b>18,768</b>	<b>13,690</b>

<b>Liabilities and Owner's Equity</b>		
	€ 000	€ 000
	31 Dec. 2006	31 Dec. 2005
<b>Shareholders' equity</b>		
Subscribed capital	9,564	8,202
Capital reserves	6,322	5,366
Currency compensation account	-104	79
Accumulated result	-5,999	-7,281
Subtotal shareholders' equity	9,783	6,366
Minority interest	41	0
	<b>9,824</b>	<b>6,366</b>
<b>Long-term liabilities</b>		
Interest-bearing loans	54	312
Pension obligations	408	412
Provisions for taxes	909	710
	<b>1,371</b>	<b>1,434</b>
<b>Current liabilities</b>		
Accounts payable (creditors) and other payables	5,307	4,158
Short-term loans	7	166
Other provisions	2,259	1,566
	<b>7,573</b>	<b>5,890</b>
	<b>18,768</b>	<b>13,690</b>

	Number of shares	Sub- scribed capital	Capital reserves	Currency compensa- tion acct	Consol. Minority accum. result	Total	
		€ 000	€ 000	€ 000	€ 000	€ 000	
Shareholders' equity on 31 Dec. 2004/1 Jan. 2005	6,500,000	6,500	5,225	-18	-7,016	4,691	
Foreign currency translation differences				97		97	
Equity portion of convertible bonds			19			19	
Cash capital increase June 2005	649,999	650				650	
Cash capital increase August 2005	714,998	715	157			872	
Costs of capital increase			-92			-92	
Cash capital increase November 2005	336,694	337	101			438	
Costs of capital increase			-44			-44	
Net income/loss for the period					-265	-265	
<b>Shareholders' equity on 31 Dec. 2005</b>	<b>8,201,691</b>	<b>8,202</b>	<b>5,366</b>	<b>79</b>	<b>-7,281</b>	<b>0</b>	<b>6,366</b>

Shareholders' equity on 31 Dec. 2005/1 Jan. 2006	8,201,691	8,202	5,366	79	-7,281	0	6,366
Foreign currency translation differences				-183			-183
Non-cash capital increase January 2006	363,265	363	177				540
Costs of capital increase			-10				-10
Shares from share option plan	34,900	35					35
Cash capital increase September 2006	691,952	692	830				1,522
Costs of capital increase			-24				-24
Shares from conversion of convertible bond	272,057	272	-17				255
Minority interest						62	62
Period result					1,282	-21	1,261
<b>Shareholders' equity on 31 Dec. 2006</b>	<b>9,563,865</b>	<b>9,564</b>	<b>6,322</b>	<b>-104</b>	<b>-5,999</b>	<b>41</b>	<b>9,824</b>

	2006	2005
	€ 000	€ 000
<b>Cash flows from operating activities</b>		
EBIT	1,562	41
<b>Adjustments for:</b>		
Depreciation and amortization	966	773
Capitalized internal services	-250	-540
Gain on disposal of assets	-1	-2
Loss on disposal of assets	0	21
Changes in long-term provisions	-4	-5
<b>Operating income/loss before changes in net current assets</b>	<b>2,275</b>	<b>288</b>
Changes in inventories	12	-230
Changes in trade accounts receivable	-2,769	-1,967
Changes in other current assets	139	-326
Changes in accounts payable	37	1,316
Changes in other current liabilities	1,820	1,226
<b>Cash flow generated by operating activities</b>	<b>1,514</b>	<b>307</b>
Interest expense / income	25	-23
Income taxes paid	-157	-163
<b>Cash inflow from operating activities</b>	<b>1,382</b>	<b>121</b>

#### Cash flows from investing activities

Acquisition of subsidiaries minus net cash acquired	0	-404
Acquisition of intangible assets and property, plant and equipment	-571	-1,227
Proceeds from the sale of property, plant and equipment	2	31
<b>Net cash outflow from investing activities</b>	<b>-569</b>	<b>-1,600</b>

#### Cash flows from financing activities

Capital increases	2,062	1,960
Proceeds from long-term loans	0	300
Capital procurement costs before deferred taxes, other	-57	-265
Repayment of loans	-53	-63
<b>Net cash flow from financing activities</b>	<b>1,952</b>	<b>1,932</b>

<b>Changes in liquidity</b>	<b>2,765</b>	<b>453</b>
Change in accumulated currency translation adjustment	-183	97
Liquidity at the beginning of the financial year	1,463	913
<b>Liquidity at the end of the period</b>	<b>4,045</b>	<b>1,463</b>



## Consolidated Notes for the Financial Year from 1 January to 31 December 2006

### I. GENERAL

TRIPLAN AG is a joint-stock company under German law and the parent company in the TRIPLAN Group.

TRIPLAN AG is listed on the regulated market of the Frankfurt stock exchange. Since August 5, 2005, TRIPLAN has had the transparency level of prime standard.

#### Registered office

Registered office: Auf der Krautweide 32, 65812 Bad Soden (Germany).

#### Business activity

TRIPLAN positions itself through its two divisions. In its Engineering Services division, TRIPLAN offers its many years of expertise and broad know-how in plant planning and project management to customers in the pharmaceutical, chemical, fine chemical, petrochemical, biotechnology and food sectors.

The services of the Technology Services division, meanwhile, are just as highly sought-after. With ITandFactory, a solution provider, the division not only provides its customers software products, but can also offer solution and process-oriented IT concepts.

#### Application of IFRS – Fundamental Principles

The consolidated financial statements of TRIPLAN AG, Bad Soden, for the 2006 financial year comply with the International Financial Reporting Standards (IFRS), previously International Accounting Standards (IAS), of the International Accounting Standards Board (IASB) and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC), previously the Standing Interpretations Committee (SIC).

On the basis of the European Union Regulation of 19 July 2002 (EC No. 1606/2002) and in accordance with Section 315a of the German Commercial Code (HGB), the applied IFRS standards must first be adopted by the European Commission. For this reason, only those IFRS standards that have already been adopted are applied to the consolidated financial statements as of 31 December 2006. All IFRS that had entered into force by the reporting date have been applied to the consolidated financial statements.

The consolidated financial statements have been prepared on the basis of historical acquisition/production costs. The financial statements of the companies included in the consolidated financial statements have been prepared using uniform accounting and valuation principles in accordance with IAS 27 “Consolidated and Separate Financial Statements”. As part of its work to develop the IFRS further and achieve convergence with US GAAP, the IASB has modified numerous standards and has introduced many new standards. These standard were applied in the consolidated financial statements effective from January 1, 2006, to the extent that they have been approved by the European Commission. Furthermore, the following standards were adopted by IASB/IFRIC during the course of the 2006 financial year but have not been applied to the consolidated financial statements for 31 December 2006, because they are not yet obligatory or have not yet been adopted by the European Commission:

■ IFRS 7 (Financial Instruments – Disclosures).

The following interpretations or rules of the IASB do not apply for the business activity of TRIPLAN AG or, due to the right of election, are taken into account for the first time in the subsequent consolidated financial statements of TRIPLAN: IFRIC 8, IFRIC 9, IFRIC 10, IFRIC 11, IFRIC 12 and IFRS 8.

The financial statements of the companies included in the financial statement were subject to uniform balance sheet and valuation principles. These financial statements, in accordance with IFRS, have been prepared according to the going concern principle, taking into account all available information in the assessment of risks.

The application of specific IFRS with regard to individual items of the financial statements is detailed in the notes below.

### **Estimates and assumptions**

The preparation of financial statements according to IFRS/IAS requires that certain estimates and assumptions be made that affect the amounts in the financial statements and notes. Correspondingly, the actual development may deviate from these estimates.

Goodwill is verified annually on the basis of the smallest cash-generating unit to which the goodwill can be allocated, as well as on the basis of our operational three-year plan and assuming growth rates for the following period that are specific to the area of business. Any change in these influencing factors could result in higher/lower unscheduled depreciation.

### **Currency and degree of precision**

The financial statements of Triplan Ingenieur AG, Basel, Switzerland; ITandFactory AG, Gebenstorf, Switzerland and TREVIS Ingenieure AG, Basel, Switzerland were prepared in Swiss francs. For the purposes of the consolidated financial statements, these individual financial statements have been translated using the modified reporting date method. A currency difference arose for the 2006 financial year due to the discrepancy between the rate at the reporting date and the average rate.

For the valuations in the consolidated financial statements using the reporting-date rate (31 December 2005), the rate used is 1 euro = 1.60965 Swiss francs (previous year: 1 euro = 1.55851 Swiss francs). Where the valuation is based on the average rate, the rate of 1 euro = 1.57179 Swiss francs was used (previous year: 1 euro = 1.54860 Swiss francs). On balance, costs from exchange rate differences totaling € 20,000 were recorded during the financial year under review.

The consolidated financial statements are prepared in euros.

In some cases amounts have been rounded to the nearest thousand or nearest million euros to improve the clarity of information.

### **Reporting date**

The consolidated financial statements were prepared as of the parent company's reporting date. (December 31).

### **Acquisitions**

TREVIS Ingenieure AG was founded in Basel, Switzerland, on 21 July 2006, and took up business activity in September 2006. TRIPLAN AG owns 51% of TREVIS Ingenieure AG. The remaining 49% of TREVIS Ingenieure AG is held directly and indirectly by the cofounder, Claude Kuhn. The company has share capital of 200,000 Swiss francs. TREVIS AG provides special engineering services with focus on processing technology, safety,

economic analyses, environmental protection and approval management. The company's services portfolio is rounded out by its function as expert evaluator in the above areas.

### **Group of consolidated companies**

In addition to the financial statements of the parent company, the consolidated financial statements of TRIPLAN AG include the individual statements of four subsidiaries with regard to which TRIPLAN AG directly or indirectly holds a 100% majority of voting rights. In addition, TREVIS Ingenieure AG is fully consolidated into the TRIPLAN consolidated financial statements due to the capital majority and control concept. The minority interest of 49% third-party ownership of TREVIS Ingenieure AG is taken into account both in the balance sheet and in the income statement. Not included are those subsidiaries that are of only minor importance for presenting and assessing the asset, financial and earnings situation of the Group.

In 2006, ItDL Ingenieurtechnische Dienstleistungen GmbH (ItDL) was merged retroactively into TRIPLAN AG effective 1 January 2006 and is therefore no longer a consolidated company.

### **Consolidation methods**

The individual financial statements included in the consolidated financial statements were prepared in accordance with the relevant statutory requirements and have been audited by independent auditors.

Capital consolidation was based on IFRS 3 using the purchase method by offsetting the acquisition costs against the parent company's share of the shareholders' equity at the acquisition date.

Intra-Group profit and loss, sales, expenses and income and receivables and liabilities have been eliminated.

With regard to consolidation processes with an impact on the result, the income tax effects have been taken into account and deferred taxes applied.

### **Financial instruments**

The financial instruments reported in the balance sheet (financial assets and financial liabilities) as defined in IAS 32 encompass certain net cash, trade accounts receivable (debtors) and payable (creditors), long-term receivables, loans and credits and certain other receivables and liabilities based on contractual arrangements.

When included in the balance sheet for the first time, these financial assets or liabilities are carried at historical costs corresponding to the current market value of the reciprocal value, taking into account transaction costs. Items are generally posted effective the trading date. The subsequent measurement varies for the different categories of financial asset or liability and is described in the balance sheet methods for the respective balance sheet items. Gains and losses from changes in the current market value of financial assets that are available for sale are included in the result for the period.

For assets, the management of financial risks is focused on the short-term availability of liquid assets while optimizing interest. With regard to the financing of durable investment goods, efforts are also made in each case to achieve long-term financing. The short-term requirement for liquid assets is covered as far as possible with bank current accounts, subject to interest at the standard conditions currently in force. Interest-rate risks are not hedged.

Credit/default risks are countered by ongoing assessment and monitoring of clients. The general default risk depends on the overall amount of accounts receivable.

The convertible bond issue of TRIPLAN AG from 2005 with nominal value of € 300,125 takes the form of a zero coupon convertible bond maturing on 14 May 2008. The bond could be converted for the first time in a ten-day exercise period following the 2006 General Meeting. An additional conversion was possible in September during the reporting period as a special conversion window. During the two exercise windows in the reporting period, a total of 272,057 of these bonds were converted into shares of TRIPLAN AG in the ratio 1:1. A total of 28,068 convertible bonds remain outstanding. In addition, the shares of Triplan Ingenieur AG deposited as collateral for the convertible bond issue were redeemed through a cash deposit in the reporting period.

### Intangible assets

Intangible assets are measured at historical or manufacturing cost. They are reported where it is likely that the future economic benefit attributable to that asset will be received by the company and where the historical or production costs of the asset can be reliably measured. Subsequent measurement is generally based on historical or production costs less accumulated scheduled depreciation and any accumulated impairments. Intangible assets are depreciated on a straight-line basis over the estimated useful life. The depreciation period and method are reviewed annually at the end of the financial year.

#### (a) Software

The historical costs of new software are capitalized and viewed as intangible assets, provided that the costs do not form an integral component of the related hardware. Software is depreciated on a straight-line basis over a period of three to five years.

Costs that arose to maintain the original economic benefit of existing software systems are charged to expenses if the work to maintain the benefit was carried out.

#### (b) Development costs

Research and development costs are charged to expenses for the period to which they relate. An exception to this is made for product development costs that meet the following criteria:

- the product is clearly defined and the costs incurred are recorded separately and valued appropriately;
- the product is technically realizable;
- the product is either sold or used in the company;
- there exists a potential market for the product and/or its usability in the case of internal use is guaranteed and
- appropriate technical, financial and other resources still required for completion of the product must be available;
- reliable determination of the production costs during the development period is assured.

Development costs carried as assets are amortized on a straight-line basis over the expected useful life. Amortization is carried out over three years, beginning with completion and sale of the software, normally in the financial year following capitalization. Should there be signs of an impairment of the asset or should it emerge that the reasons for extraordinary write-down in prior periods no longer exist, the stated value of the development costs shall be adjusted accordingly.

### Goodwill

Any excess in the costs of acquiring a company over the acquirer's share of the net fair value of the acquired company's identifiable assets and liabilities at the acquisition date is classed as goodwill and carried in the balance sheet as an asset. Goodwill is measured at historical costs minus accumulated amortization and impairments. Due to the introduction of IFRS 3, which is binding on all financial statements prepared after 1 January 2005, goodwill is no longer subject to scheduled amortization. An impairment test is used in accordance

with IFRS to determine any need for write-down/write-up. In accordance with IAS 36, goodwill is allocated to the smallest cash-generating unit and at this level tested for impairment by comparing the discounted expected future cash flow to the book value of this cash-generating unit. The evaluation is made using the discounted cash flow procedure (DCF procedure) and weighted average cost of capital (WACC approach), and is conducted before consideration of any taxes following the instructions of IFRS/IAS.

The residual carrying amounts are verified at each reporting date in terms of their future economic benefit. If there are signs that goodwill should be reduced, the realizable amount is calculated for the cash generating unit to which the goodwill relates. If the carrying amount is higher than the realizable amount, the goodwill is written down.

### Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated, scheduled depreciation and accumulated impairments. If items of property, plant and equipment are sold or cease to exist, their historical or production costs and the related accumulated depreciation and impairments are eliminated from the balance sheet, and the profit or loss resulting from their sale is recorded in the income statement.

The original historical or production costs of items of property, plant and equipment encompass the purchase price, including import duty and non-refundable taxes, as well as all directly apportioned costs needed to ensure that the asset is in an operational state and to locate it in its intended area of use. Expenditures that arise once the useful life has begun (e.g. maintenance, service and renovation costs) are generally charged against income in the period in which the costs arise. If expenditures lead to an expected additional future economic benefit from use of an item of property, plant and equipment over and above its originally valued performance level, such expenditures are capitalized as subsequent costs for property, plant and equipment. Depreciation is calculated on a straight-line basis over the following estimated useful life:

- Technical equipment and machinery 3–10 years
- Factory and office equipment 3–10 years

The useful life and depreciation methods are reviewed during each period to ensure that the depreciation method and period correspond to the expected economic benefit from items of property, plant and equipment. The beginning of the depreciation period is determined according to when the asset is capitalized. The pro-rata-temporis method of depreciation is applied.

Items of property, plant and equipment are not subject to any restraints on use.

### Leases

Assets used by the Group as lessee for which the essential economic opportunities and risks remain with the lessor are operating leases and not included in the balance sheet. Lease payments for operating leases are charged to expenses over the term of the lease agreement.

For lease agreements classified as financial leases, the assets are reported in the balance sheet and depreciated over the useful economic life. The useful economic life in these cases equals the duration of the lease agreement. Corresponding to the asset, a liability to the leasing company is recorded in the balance sheet. From this arise monthly expenses for depreciation of the assets, interest expenses for their financing and repayment of principle for the liability.

### **Inventories**

Inventories are carried at the lower of historical/production cost and net realizable value, also taking into account a value adjustment for limited marketability. The net realizable value corresponds to the selling price in the ordinary course of business less cost of completion and selling costs. The historical or production costs are based primarily on weighted average costs. For unfinished services, the costs include the relevant fixed and variable overheads.

### **Long-term order production**

Long-term production orders are reported using the percentage-of-completion method (PoC method). The degree of completion per order is determined using the ratio of the accumulated costs to the projected total costs (cost-to-cost method). If the result of a production order cannot be reliably projected, revenues are recorded only in the amount of the order costs incurred (zero-profit method). The orders are reported under the receivables or liabilities from percentage of completion. If in individual cases the accumulated performance (order costs incurred and profits reported) exceeds the deposits received, the production orders are reported as assets under receivables from percentage of completion. If a negative balance remains after deposits are deducted, it is reported under liabilities from percentage of completion. Expected losses on orders are covered by provisions; they are determined taking into account recognizable risks. The financial result from long-term order production would be reported at the Group level in other operating income/expenses. Interest not resulting from long-term order production is reported in the financial result.

### **Accounts receivable (debtors) and other assets**

Once receivables and other assets with a fixed term have been included in the balance sheet for the first time, subsequent valuation is based on amortized historical costs, taking into account individual valuation adjustments, and using the effective interest method. Receivables with a short term and other assets not subject to a fixed rate of interest are measured at their original invoice amount or nominal amount, provided that the effect of discounting would be insignificant. Those accounts receivable and other financial assets without a fixed term are measured at cost (nominal amount). All accounts receivable and other assets are subject to impairment testing.

Other assets that are not covered by IAS 39 are measured at cost and are also subject to impairment testing.

### **Liquid assets**

Liquid assets comprise cash, credit balances held at credit institutions and checks received.

### **Shareholders' equity**

Capital reserves arise from payments in conjunction with capital issues and are reported less the costs incurred for capital procurement (after deducting tax effects). They are available for offset against losses and for capital increases from company funds.

Accumulated currency differences result from currency translation differences arising from the consolidation of foreign subsidiaries' financial statements.

### **Pension provisions**

Pension provisions are valued by an expert in accordance with IAS 19 (as revised in 2004) "Employee benefits", based on the present value of benefit entitlements.

### Other short-term provisions

A provision is only reported if the company faces a current (statutory or factual) obligation due to a past event, it is likely that fulfilling that obligation will result in an outflow of resources and the amount of the obligation can be reliably calculated. Provisions are reviewed at each reporting date and adjusted in line with the best estimate at the time. If a significant interest-rate effect results from the date on which a commitment is met, the provision is included in the balance sheet at its present value. To the extent that no reliable estimate can be made in individual cases, no provision is made but a contingent liability is stated.

### Liabilities

After being reported for the first time, all financial liabilities that are not derivative liabilities are measured at amortized historical costs. Once they have been reported for the first time, derivative liabilities are measured at their current market value.

### Realization of revenues

Revenues are recorded if it is likely that the economic benefit associated with the corresponding transaction will be passed to the company in receipt of the service and if the amount of the revenues can be reliably measured. Sales revenues are recorded minus general sales tax and any price reductions/volume discounts provided that the delivery has been made and economic ownership together with the related risks and rewards has been transferred.

Revenue from long-term orders is reported in accordance with IAS 18 Revenue or IAS 11 Construction Contracts according to the project's effective progress ("percentage of completion method", PoC). Gains from the PoC method are only recognized when the result of a production order can be reliably predicted. Since the results of production orders cannot be reliably predicted, revenues are reported in the amount of the expenses incurred (zero profit method).

### Interest

Interest is recorded in line with the effective interest received on assets.

### Foreign currencies

Foreign currency transactions are recorded in the reporting currency by translating the foreign currency amount on the basis of the exchange rate between the reporting and foreign currency at the time of the transaction.

Translation differences from the settlement of monetary items at rates that differ from the rate originally recorded during the period are charged to expenses or income for the period in which they occur.

### Foreign commercial operations

The subsidiaries in the group of consolidated companies are independent financially, economically and organizationally. They are therefore viewed as economically independent foreign units. Their reporting currency in each case is their national currency. The balance sheets prepared by the consolidated foreign holdings are translated using the year-end exchange rate; the income statements are translated using the average rate for the financial year. All resulting translation differences are included in the accumulated exchange rate differences within shareholders' equity.

### Borrowing costs

Borrowing costs are not capitalized but expensed in the period in which they are incurred. The interest rate risk based on the short-term loan liabilities in the Group and an interest rate change of +/- 1% is approximately € 1,000. Long-term loan liabilities have fixed interest rates.

### **Income taxes / deferred taxes**

With regard to income taxes, the tax burden is based on the amount of net income for the year and takes into account tax deferrals. Deferred taxes are calculated using the liability method. Deferred income taxes reflect the net tax expense/income from temporary differences between the carrying amount of an asset or debt in the Group balance sheet and the amount in the balance sheet for tax purposes. Deferred tax claims and liabilities are valued on the basis of the tax rates expected to apply to the period in which an asset is realized or a liability paid off. The measurement of deferred tax liabilities and claims takes account of the tax consequences that will probably result from the way in which temporary differences are reversed based on the estimate on the balance sheet date.

Deferred tax assets and liabilities are recorded independently of the time at which the temporary posting differences are likely to be reversed. A deferred tax asset should be included in the balance sheet for all temporary differences relevant to income tax if it is likely that there will taxable income against which the temporary difference can be applied. On each reporting date, the company re-evaluates deferred tax claims that have not been included in the balance sheet and the carrying amount of deferred tax claims. The company will report a deferred tax asset not previously included in the balance sheet if it has become likely that the future existence of taxable income will enable the deferred tax asset to be realized. Conversely, the carrying amount of a deferred tax asset will be reduced to the extent that it is no longer likely that sufficient taxable income will be available to make partial or full use of the deferred tax asset.

No deferred tax liabilities arise if non-distributed profits from foreign subsidiaries remain invested in these companies for an indefinite period. Deferred tax liabilities are included in the balance sheet for all taxable temporary differences provided that the deferred tax liabilities do not originate from goodwill, amortization of which is not deductible for tax purposes.

If there is an indication that an impairment no longer exists or has been reduced, the impairment is reversed in the income statement.

### **Contingent liabilities and accounts receivable**

A company may not post a contingent liability. A contingent liability must be disclosed, however, to the extent that the possibility of an outflow of resources with economic benefit is not improbable.

Contingent accounts receivable are not included in the financial statements. However, they should be stated if an inflow of economic benefit is likely.

### **Events after the reporting date**

Events occurring after the reporting date that provide additional information on the state of the company as of the balance sheet date are included in the balance sheet. Events affecting value that occur after the balance sheet date are only stated in the consolidated notes.

### **Cash flow statement**

The cash flow statement shows how the cash situation of the TRIPLAN Group has changed as a result of inflows and outflows over the course of the year under review. In accordance with IAS 7, a distinction is made between cash flow from operating, investing and financing activities. The net cash reported in the cash flow statement includes cash, checks and credit balances held at credit institutions.

**Structure of the balance sheet and income statement**

The balance sheet and the income statement have been structured in accordance with IAS 1. To improve clarity, individual items have been grouped together in the balance sheet and income statement and reported separately in the notes. To ensure that the layout is easy to follow, information requiring disclosure is included only in the notes. The income statement has been prepared using the type-of-expenditure method.

**Comparative figures**

The previous year figures have, where necessary, been adjusted in line with the new accounting standards applied in 2006.

**Transactions with related parties**

Mr. Reinhard Meier, chairman of the Management Board of TRIPLAN AG until 31 March 2006, received shares in TRIPLAN AG amounting to around 11% of the company's total shares when he left the company.

## II. Notes to the Balance Sheet – Assets

The breakdown of the items included in the balance sheet and their development over the financial year are presented in the attached statement of changes in fixed assets.

### (1) Intangible assets

Intangible assets can be shown as follows:

	31 Dec. 2006	31 Dec. 2005
	€ 000	€ 000
Software	906	1,213
Goodwill	3,748	3,748
	<b>4,654</b>	<b>4,961</b>

Intangible assets acquired for a consideration, including goodwill, were capitalized at cost and amortized on a straight-line basis up to the 2004 financial year. Effective that reporting period, goodwill is no longer subject to scheduled amortization. An impairment test is required to be carried out at least annually.

Of goodwill, € 1.300 million can be attributed to the merger of Triplan Ingenieur GmbH with TRIPLAN AG. In addition, the consolidation of the acquisition of the CADISON companies resulted in goodwill of € 2.762 million (Technology Services division). In 2001 the acquisition of Venturis GmbH resulted in goodwill of € 1.343 million (Technology Services division). From 2002 to 2004 further post-sale installments of € 94 thousand were paid in accordance with contractual agreements, increasing the goodwill of Venturis GmbH. The acquisition of the operational business of IMA Ingenieurgesellschaft mbH in financial year 2005 resulted in goodwill of € 681 thousand (Engineering division). With the purchase of ItDL GmbH in the same year, goodwill from the founding of ItDL in the amount of € 79 thousand (Engineering division) was included in the acquisition. The goodwill of € 325 thousand (Engineering division) arising from acquisition consolidation of ItDL is carried in TRIPLAN AG as a result of the merger.

Goodwill developed as follows:

	Acquisition costs	Write-Downs	Book Value
	€ 000	€ 000	€ 000
As of 1 Jan. 2006	6,610	2,862	3,748
Additions 2006	0	0	0
Reclassifications	0	0	0
<b>As of 12 Dec. 2006</b>	<b>6,610</b>	<b>2,862</b>	<b>3,748</b>

With regard to software development costs for the further development of own software programs, € 250 thousand was capitalized in the current year and € 540 thousand in the 2005 financial year. Development costs totaling € 781 thousand (previous year: € 298 thousand) were charged against income.

Due to the release changeover to CADISON R7, the capitalized internal services were written off for the previous software versions. With the change, the market is now only served with CADISON R7, so no significant return flows or excess deposits can be expected from the older versions.

**(2) Property, plant and equipment**

The individual items are shown in the statement of changes in fixed assets. Items of property, plant and equipment are measured at cost less scheduled straight-line depreciation over a useful life of between three and ten years.

**(3) Asset-side deferred taxes**

The deferred tax reimbursement claims result from loss carryovers. Due to the uncertainty surrounding the realization of the deferred taxes, a value adjustment was made to the extent that asset-side deferred taxes exceed liability-side deferred taxes. Additional explanations result from text number 24.

**(4) Inventories**

	31 Dec. 2006	31 Dec. 2005
	€ 000	€ 000
Raw materials and supplies	2	4
Unfinished products and services	418	428
	<b>420</b>	<b>432</b>

**(5) Trade accounts receivable (debtors) and other receivables**

Trade accounts receivable and other accounts receivable are carried in the balance sheet at nominal value less value adjustments for discernible individual risks. Due to the TRIPLAN Group's very good client structure, the level of default risk is very slight.

All trade accounts receivable and other accounts receivable are due within one year.

	31 Dec. 2006	31 Dec. 2005
	€ 000	€ 000
Trade accounts receivable	7,193	5,417
Receivables from percentage of completion	993	0
Other receivables	411	551
	<b>8,597</b>	<b>5,968</b>

**(6) Accrued and deferred items**

The accrued and deferred items relate almost exclusively to advance payments made in relation to maintenance agreements, insurance policies and trade fairs.

**III. Notes to the Balance Sheet – Liabilities and shareholders' equity****(7) Subscribed capital**

The fully paid-up share capital on the reporting date was € 9,563,865.00, divided into 9,563,865 unit shares, each with an accounting value of € 1.00. In the reporting period, the company's share capital was increased through a non-cash capital increase, a cash capital increase and conversion of convertible bonds and exercise of employee share options. As part of the convertible bond issue from conditional capital II in June 2005, the company is now obliged upon conversion of the bonds to raise the share capital by a further 28,068 shares from conditional capital II.

### a. Authorized capital

The Annual General Meeting of 30 January 2001 approved an authorized capital I / 2001 of € 155,000 and an authorized capital II / 2001 of € 2,895,000. The Management Board is authorized, with the consent of the Supervisory Board, to raise the share capital under authorized capital I and II until 29 January 2006 by issuing up to 155,000 or 2,895,000 new shares, respectively, in exchange for non-cash or cash contributions on one or several occasions, but by no more than € 155,000 / € 2,895,000 in total. Any subscription right for shareholders is excluded with regard to capital increases from the authorized capital I and II. The Management Board stipulates the issue amount of the new shares and may also stipulate the commencement of their profit entitlement in deviation from § 60, par. 2 of the Joint Stock Companies Act (AktG).

Of the approved capital II / 2001 totaling € 2,895,000, up to € 830,044 was used for issuing new shares as part of capital increases with exclusion of subscription rights and the last time for the non-cash capital increase of € 363,265, entered in January 2006. The non-cash capital increases were carried out as part of the company acquisitions performed in 2005. The emission volume was € 540,000. The premium was recorded in capital reserves, minus the expenses for raising capital. The authorization for increasing the capital from authorized capital II ran out on 29 January 2006.

As resolved at the General Meeting of 24 August 2005, the authorized capital I was raised by € 155,000 and replaced by the new authorized capital I / 2005 of € 714,999. The Management Board may, with the Supervisory Board's consent, raise the company's share capital until 24 August 2010 by issuing new bearer shares in exchange for cash contributions on one or several occasions, but by no more than € 714,999. Further, the Management Board, with the consent of the Supervisory Board, may exclude the subscription right of shareholders if the issue amount of the new shares is not significantly lower than the stock market price and the shares issued subject to the exclusion of a subscription right do not amount to more than 10% of the share capital in total.

With the cash capital increase of 1 September 2006, authorized capital I / 2005 was used in the amount of € 691,952.00; as a result, € 23,047 of authorized capital I / 2005 remains. The capital increase was carried out with exclusion of subscription rights at an issue price of € 2.20 per share. The total amount issued was € 1,522,294.40. The premium of € 830,342.40 minus the expenses for the capital issue was recorded in capital reserves.

The Annual General Meeting of 21 June 2006 approved a new authorized capital II (authorized capital II/ 2006) of € 2,000,000. The Management Board is authorized, with the agreement of the Supervisory Board, to increase the company's share capital once or several times by a total of up to € 2 million for cash and/or non-cash capital contributions through issue of new bearer shares. The authorization is granted until 21 June 2011. The Management Board is authorized to exclude shareholders' subscription rights in the following cases:

- a. for residual amounts
- b. in the case of a cash capital increase, if the issue amount of the new shares is not significantly below the stock market price and the shares issued subject to the exclusion of a subscription right do not amount in total to more than 10% of the share capital at the time this authorization becomes effective or is exercised. This number includes shares that have been issued or will be issued to service options – or convertible bonds, if these were issued with corresponding application of § 186 par. 3 sentence 4 of the German Joint Stock Companies' Act with exclusion of subscription rights. Further, this limitation of 10% of share capital applies to the sale of the company's own shares if this sale takes place as a result of an authorization – valid when the authorized capital becomes effective – to sell the company's own shares with exclusion of subscriptions rights.

- c. in the case of capital increases from non-cash capital contributions, to ensure that shares are available to acquire companies, parts of companies or participating interests in companies.

In addition, the decision has been made to create an authorized capital III (authorized capital III/2006). The Management Board is authorized, with the Supervisory Board's consent, to raise the company's share capital until 21 June 2011 by issuing new bearer shares in exchange for cash contributions once or several times, but by no more than € 1,500,000.00 (authorized capital III).

#### **b. Conditional capital I (share option plan)**

It was decided at the Annual General Meeting of TRIPLAN AG on 25 June 2003 to increase the conditional capital of € 451,800. A conditional capital increase of up to € 650,000 was subsequently agreed on. The conditional capital was created to issue share options to the employees of TRIPLAN AG and its subsidiary companies.

The option plan has a term of three years, calculated from the date of the decision approving its creation. During this term, tranches from the total volume of the share option plan will be issued, with the exercise price being stipulated for each separate tranche.

The option rights may not be exercised until a blocked period of two years – calculated from the date on which the option rights are awarded – has expired. After this blocked period has expired, provision is made for a period of a further of five years (exercise period), resulting in a total term of seven years.

By 31 December 2004, a total of 455,700 share options had been granted, with an earliest possible exercise date of June 2006. No new share options have been granted to employees in the 2006 reporting year. Therefore, reporting of the total cost for share-based compensation in the reporting period is not applicable.

The following is a breakdown of the share options based on the conditional capital:

	No. of shares
At the start of the reporting period	94,000
i) Outstanding options	0
ii) Options granted	0
iii) Options forfeited	7,500
iv) Options exercised	34,900
<b>Options outstanding or exercisable at the end of the reporting period</b>	<b>51,600</b>

The average exercise price of options exercised in the reporting period was € 1.00.

The average exercise price for the outstanding share options is € 1.00. The weighted average of the remaining terms is 4.5 years. Due to the low number of share options outstanding on 31 December 2006, volatility was not determined.

### c. Conditional capital II (warrants and/or convertible bonds)

The General Meeting of 24 June 2004 approved a conditional capital II in the amount of € 2,600,000. The share capital is raised conditionally to a nominal amount of € 2,600,000 (conditional capital II). The conditional capital increase will only be implemented to the extent that creditors of conversion rights or holders of warrants associated with the convertible bonds/warrants issued by the company until 1 June 2009 exercise their conversion/option rights, or to the extent that those creditors who are obliged to convert their bonds issued by the company until 1 June 2009 meet their conversion obligation. The new shares will entitle the holders to profit-sharing from the beginning of the financial year in which they are created through the exercise of conversion/option rights or the fulfillment of conversion obligations. The Management Board may, with the Supervisory Board's consent, stipulate the further details of any conditional capital increase.

The subscription offer of May 2005 gave the shareholders of TRIPLAN AG the chance to purchase zero coupon convertible bonds. The nominal amount of the bond and the issue amount were € 1.00. The convertible bond is secured by assignment of the shares in Triplan Ingenieur AG, Switzerland. No periodic interest payments are made on the bonds. Interest payments arise at the end of the term (15 May 2005 to 14 May 2008) from the difference between the issue amount and the repayment amount to be paid upon maturity with an effective rate of interest of approximately 10% per year. Every bondholder, in accordance with the convertible bond conditions, has the irrevocable right (the "conversion right") to convert, within an exercise period, each bond with a nominal value of € 1.00 into bearer unit shares of the issuer with voting rights. Any partial exercise of the conversion right is excluded. When the conversion declaration becomes effective, the creditor forfeits the right to redeem the bonds; in place of the redemption right, the issuer is obligated to deliver shares in accordance with these convertible bond conditions.

1. The conversion right may only be exercised within the following stipulated exercise periods ("exercise periods"), with business day being any day on which the commercial banks in Stuttgart are open for business ("business day"):
  - i. The conversion right may be exercised on 5 May 2008 and the 10 preceding business days (the "exercise period at the end of the term").
  - ii. The conversion right may also be exercised prematurely:
    - a. on the third business day after the Annual General Meeting of the issuer in 2006 and the ten following business days (the "exercise period following the 2006 AGM"),
    - b. on the third business day after the Annual General Meeting of the issuer in 2007 and the ten following business days (the "exercise period following the 2007 AGM"),

A conversion obligation exists if and as soon as the closing price of the issuer's shares recorded in Xetra trading on the Frankfurt stock exchange exceeds € 3.00 for ten consecutive stock exchange trading days after 1 January 2006. Should these conditions be met, the issuer may collect the bonds and, in exchange, deliver TRIPLAN shares, taking into account the conversion price in accordance with § 5. The agency carrying out the conversion is authorized to issue the subscription declaration on behalf of the bondholders in accordance with § 198, par. 1 of the Joint Stock Companies Act (AktG).

In the reporting period 272,057 convertible bonds were converted in the ratio of 1:1 into shares of TRIPLAN AG in ordinary and extraordinary conversion. The first tranche of 56,392 shares of the ordinary conversion was entered in the Commercial Register on 12 September 2006. The second conversion tranche of 215,665 shares from September 2006 will be entered in the following year. The convertible bond is included under long-term liabilities at a value of € 31 thousand, its current market value. Collateral for the convertible bond issue in the form of shares in Triplan Ingenieur AG was replaced by a cash deposit in 2006.

The development of shareholders' equity is set out in detail in the Statement of Changes in Shareholders' Equity.

#### (8) Capital reserves

Capital reserves include the premium from capital increases, including the capital increase from the initial public offering in 2001. The costs of the capital increase were recorded as a reduction in the capital reserves. To the extent that this results in income tax relief, the costs are recorded net:

	2006	2005
	€ 000	€ 000
On 1 Jan.	5,366	5,225
Premium minus capital procurement costs	956	141
<b>On 31 Dec.</b>	<b>6,322</b>	<b>5,366</b>

#### (9) Currency compensation account

The currency conversion compensation account results from the application of the modified reporting date method in translating for consolidation purposes the financial statements of the foreign subsidiaries whose functional currency is the national currency into the reporting currency.

	2006	2005
	€ 000	€ 000
On 1 Jan.	79	-18
Change during the accounting period	-183	97
<b>On 31 Dec.</b>	<b>-104</b>	<b>79</b>

#### (10) Accumulated result

The accumulated result was as follows:

	€ 000
Loss carryover	-7,281
Period profit 2006	1,282
<b>On 31 Dec. 2006</b>	<b>-5,999</b>

#### (11) Minority interest

Minority interest of € 41 thousand refers solely to TREVIS Ingenieure AG, Basel.

#### (12) Pension provisions

Company pension provisions were as follows:

	2006	2005
	€ 000	€ 000
<b>Pension provisions</b>	<b>408</b>	<b>412</b>

Pension benefits are based on length of service and future estimated salary and pension trends. Part of the pension commitments is financed through insurance policies.

	2006	2005
	€ 000	€ 000
<b>Present value of entitlements</b>		
On 1 Jan.	598	595
Service costs	0	0
Interest costs	34	35
Pension payments	-44	-44
Actuarial losses (gains)	124	12
Revaluation	1	0
<b>On 31 Dec.</b>	<b>713</b>	<b>598</b>

**Plan assets**

Balance on 1 Jan.	260	266
Fund income	0	0
Employer contributions	0	0
Paid benefits	-16	-17
Profits (losses) of plan assets	10	11
Actuarial gains	0	0
Revaluation	0	0
<b>Balance on 31 Dec.</b>	<b>254</b>	<b>260</b>

**Financing status**

<b>Pension commitments not covered by plan assets</b>		
on 31 Dec.	459	338
Unrealized gains	-51	74
<b>Posted net value on 31 Dec.</b>	<b>408</b>	<b>412</b>

The following table shows the underlying actuarial assumptions for the pension plans:

	31 Dec. 2006	31 Dec. 2005
<b>Weighted average assumptions</b>		
Discount rate (bop)	6.0%	6.0%
Discount rate (eop)	4.0%	6.0%
Expected fund income	4.0%	4.0%
Salary trend	2.5%	2.5%
Pension trend	2.0%	2.0%

The components of the pension expenses for the period can be broken down for the corresponding financial years as follows:

	2006	2005
	€ 000	€ 000
Interest expense	34	35
Expected plan income	10	11
Transfer	0	0
Actuarial losses	-1	-2
<b>Net pension costs</b>	<b>23</b>	<b>22</b>

**(13) Trade accounts payable (creditors) and other liabilities**

The liabilities comprise the following individual items:

	31 Dec. 2006	31 Dec. 2005
	€ 000	€ 000
Trade accounts payable (creditors)	2,790	2,753
Miscellaneous other liabilities	2,312	1,121
Accrued liabilities and deferred income	205	153
	<b>5,307</b>	<b>4,027</b>

**(14) Short-term loans and guarantees**

A total of € 456 thousand has been deposited to secure credit lines and guarantees.

**(15) Other provisions**

Other provisions take account of all discernible risks and uncertain liabilities. They primarily include amounts for holiday commitments, profit-sharing bonuses, warranties, costs for financial statements and contributions.

**Other provisions**

Designation	1 Jan. 2006	Additions	Uses	Elimination	31 Dec. 2006
	€ 000	€ 000	€ 000	€ 000	€ 000
Additional personnel expenses	632	453	283	0	802
Profit-sharing bonuses / commissions	385	812	385	0	812
Costs of financial statements	106	115	108	4	109
Costs of the Supervisory Board	80	93	101	0	72
Settlements	0	128	0	0	128
Other	363	1,118	1,115	31	335
	<b>1,566</b>	<b>2,719</b>	<b>1,992</b>	<b>35</b>	<b>2,258</b>

Expenses for the auditor Herden Böttinger Borkel Neureiter GmbH Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft totaling € 72 thousand, solely for auditing of the financial statements, were taken into account in 2006.

## IV. Notes to the Income Statement

### (16) Total operating performance

Total operating performance (sales revenue, changes in inventories, other capitalized internal services and other operating income) of the TRIPLAN Group can be broken down by division as follows:

	2006	2005
	€ 000	€ 000
<b>Engineering</b>		
Sales revenue incl. other operating income	33,443	19,697
Sales revenue from long-term order production	1,111	0
Inventory changes	30	192
Other capitalized internal services	0	0
Total operating performance	34,584	19,889
<b>Technology Services</b>		
Sales revenue incl. other operating income	5,744	5,346
Changes in inventories	-40	36
Other capitalized internal services	250	540
Total operating performance	5,954	5,922
<b>Group</b>		
Total operating performance	335	592
<b>Summation, total operating performance</b>	<b>40,873</b>	<b>26,403</b>

The complete segment reporting is provided under VI. no. 30. The breakdown used in this section was based on IAS/IFRS.

Sales were realized in the following countries during the reporting period:

	2006	2005
	€ 000	€ 000
Germany	22,541	13,774
Switzerland	14,709	8,740
Austria	1,033	1,053
Azerbaijan	678	0
The Netherlands	617	0
Denmark	93	120
France	89	77
Luxembourg	80	40
UK	76	100
Rest of the world	97	716
<b>Total</b>	<b>40,013</b>	<b>24,620</b>

**(17) Other operating income**

Other operating income primarily includes income from the capitalization of refund claims and insurance compensation.

**(18) Other capitalized internal services**

Own software was capitalized in accordance with IAS 38 with production costs of € 250 thousand (2005: € 540 thousand). Both the purchase of external services and own expenses (primarily personnel) were included in the measurement.

**(19) Material expenses**

Material expenses comprised:

	2006	2005
	€ 000	€ 000
Expenses for raw materials, auxiliary materials, operating materials and for procured goods	532	595
Expenses for procured services	14,263	7,261
	<b>14,795</b>	<b>7,856</b>

**(20) Personnel expense**

Personnel expenses are broken down as follows:

	2006	2005
	€ 000	€ 000
Wages and salaries	16,168	12,471
Social contributions and expenses for Pension and other employee benefit costs	2,943	2,139
	<b>19,110</b>	<b>14,611</b>

**(21) Depreciation, amortization and write-downs**

Depreciation and amortization can be broken down as follows:

	2006	2005
	€ 000	€ 000
On capitalized development costs	547	475
Other amortization of intangible fixed assets and depreciation of property, plant and equipment	419	298
	<b>966</b>	<b>773</b>

Due to the introduction of IFRS 3, goodwill is no longer subject to scheduled amortization effective from the 2005 financial year. An impairment test is used to check for loss of value. For this, a pre-tax discount rate of 13.99% was used. In the financial year, current assets were written down by € 0 (previous year € 68 thousand); these write-downs are included in other operating expenses.

**(22) Other operating expenses**

	2006	2005
	€ 000	€ 000
Cost of premises	865	601
Advertising, trade fair and travel costs	677	381
Vehicle costs	605	491
Legal and consulting costs	424	374
Other rental/lease and maintenance	365	212
Individual valuation adjustments	333	125
Postage, telephone	251	264
Insurance	226	120
Other	694	554
	<b>4,440</b>	<b>3,122</b>

## Information on lease expenses

	2006	2005
	€ 000	€ 000
PC leasing	8	7
Vehicle leasing	246	228
Other leasing arrangements	104	109
	<b>358</b>	<b>344</b>

**(23) Financial result**

The financial result includes interest income in the amount of € 49 thousand (2005: € 8 thousand) and interest expenses totaling € 24 thousand (2005: € 30 thousand).

**(24) Taxes on income**

The applied tax rate of 41% for German companies and 28% for Swiss companies for the purposes of reporting deferred tax was calculated in accordance with IFRS 12. In Switzerland, tax reporting relates to taxes levied at federal, canton and local level. During the reporting year, all asset-side deferred taxes – not just those due to losses incurred – were fully written off if they could not be offset against corresponding deferred tax liabilities for the companies concerned. Accordingly, deferred tax assets were only recognized if there was a deferred tax liability of at least the same amount for the same tax subject. The income tax expense in the financial year applies completely to ordinary business activity.

Tax expenses are composed as follows:

	2006	2005
	€ 000	€ 000
Actual tax expenses	342	113
Deferred tax expenses from the creation or reversal of temporary differences	-76	75
Deferred tax expense resulting from write-down of a deferred tax asset	37	0
Deferred tax expenses from items offset directly against shareholders' equity	23	95
	<b>326</b>	<b>283</b>

The change in the balance of the deferred income tax items in the balance sheet can be broken down as follows:

	2006	2005
	€ 000	€ 000
On 1 Jan.	246	171
Deferred tax expense from establishment of the company or reversal of temporary differences	-39	75
<b>On 31 Dec.</b>	<b>207</b>	<b>246</b>

Deferred tax claims and deferred tax liabilities have been reported in the consolidated financial statements. The amounts are obtained from the historical statement of deferred tax liabilities, in particular through the capitalization of goodwill at an average tax rate of 36% and the historical capitalization of asset-side deferred taxes of the same amount from the loss carryovers from the years 2000 to 2002.

The transition between the tax amount and the product of the result before income taxes and the applicable tax rate is calculated as follows:

	2006	2005
	€ 000	€ 000
<b>Result before income taxes</b>	<b>1,587</b>	<b>18</b>
Expected income tax expense	571	-6
Different tax rates	-41	17
Effect from loss carryovers for tax purposes	-165	197
Reversal of temporary differences	-39	75
<b>Reported income tax expense</b>	<b>326</b>	<b>283</b>

Deferred tax assets and liabilities are composed as follows:

	1 Jan. 2005	Expense/ Income	31 Dec. 2005	Expense/ Income	31 Dec. 2006
	€ 000	€ 000	€ 000	€ 000	€ 000
<b>Deferred tax asset</b>					
Tax loss carryovers	487	-39	448	-37	411
Other	16	0	16	66	82
	<b>503</b>	<b>-39</b>	<b>464</b>	<b>29</b>	<b>493</b>
<b>Deferred tax liability</b>					
Intangible assets	-642	-43	-685	24	-661
Receivables	-32	7	-25	-14	-39
	<b>-674</b>	<b>-36</b>	<b>-710</b>	<b>10</b>	<b>-700</b>

Loss carryovers for taxes in Germany total € 12.964 million.

**(25) Earnings per share**

The undiluted earnings per share are calculated by dividing the result for the period attributable to shareholders by the weighted average number of shares outstanding during the period. The weighted average number of shares in 2006 was 8,831,258 (2005: 6,739,698). This gives a figure for undiluted earnings per share of € 0.15 (2005: € -0.04).

The diluted earnings per share takes account of potential shares from the convertible bond issue. No account is taken of the share option plan in place for employees as this has no effect on earnings per share. The diluted result per share is € 0.14 (2005: € -0.03) with a weighted average number of shares of 8,856,665 in 2006 (2005: 6,903,328).

**V. Cash flow statement****(26) Net cash flow from operating activities**

Operating activities produced a cash inflow in 2006 of € 1.382 million (2005: € 121 thousand inflow); the operating result before changes in net current assets of € 2.275 million was better than in the previous year (€ 288 thousand).

**(27) Net cash outflow from investing activities**

The cash outflow from investing activities was € 569 thousand (2005: € 1.600 million outflow). This is mainly due to acquisition of intangible assets and property, plant and equipment.

**(28) Net cash flow from financing activities**

Cash flows from financing activities are the result of payments received from the cash capital increases and share placement on the stock exchange as well as the non-cash capital increase and the effects of the costs of capital procurement. Again included in this item is the redemption of loans that were taken over as part of the purchase of ItDL GmbH.

**(29) Financing funds**

The cash flow statement was calculated on the basis of net cash of € 4.045 million (previous year: € 1.463 million). This account consists exclusively of cash. Of this bank balance, € 456 thousand is pledged as security.

**VI. Other information****(30) Segment reporting**

For the purposes of segment reporting, a distinction is made between areas of activity in the primary segment. Engineering encompasses the activities of Triplan Ingenieur AG (Switzerland), TREVIS Ingenieure AG and the Engineering division of TRIPLAN AG (Germany). ITandFactory GmbH, ITandFactory AG and Venturis GmbH make up the Technology Services division. Due to the lack of geographic distribution of the Group activities, reporting can only be provided on the basis of the primary reporting format "business segment".

The Group's operations are broken down into Engineering and Technology Services as follows:

#### Reporting by business segment (segment reporting) 2006

	Engineering	Technology Services	Total
	€ 000	€ 000	€ 000
<b>Assignable income</b>			
Sales revenue	33,443	5,744	39,187
Sales revenue from long-term order production	1,111	0	1,111
Inventory changes	30	-40	-10
Other capitalized Internal services	0	250	250
	<b>34,584</b>	<b>5,954</b>	<b>40,538</b>
<b>Assignable expenses</b>			
Material expenses	14,134	798	14,932
Personnel costs	15,171	2,830	18,001
Depreciation and amortization	321	609	930
Other	2,500	1,079	3,579
	<b>32,126</b>	<b>5,316</b>	<b>37,442</b>
<b>Segment result</b>	<b>2,458</b>	<b>638</b>	<b>3,096</b>
Costs of Group administration, other			-1,534
<b>Operating result</b>			<b>1,562</b>
Financial result			25
<b>Earnings before taxes</b>			<b>1,587</b>
Taxes on income			-326
<b>Net income</b>			<b>1,261</b>
Minority interest share in profit (loss)			21
<b>Net income/loss after minority interest share</b>			<b>1,282</b>

**Reporting by business segment (segment reporting) 2005**

	Engineering	Technology Services	Total
	€ 000	€ 000	€ 000
<b>Assignable income</b>			
Sales revenue	19,697	5,346	25,043
Inventory changes	192	36	228
Other capitalized internal services	0	540	540
	<b>19,889</b>	<b>5,922</b>	<b>25,811</b>

	Engineering	Technology Services	Total
	€ 000	€ 000	€ 000
<b>Assignable expenses</b>			
Material expenses	6,996	860	7,856
Personnel costs	11,290	2,867	14,157
Depreciation and amortization	160	554	714
Other	1,056	1,006	2,062
	<b>19,502</b>	<b>5,287</b>	<b>24,789</b>

<b>Segment result</b>	<b>387</b>	<b>635</b>	<b>1,022</b>
Costs of Group administration, other			-981
<b>Operating result</b>			<b>41</b>
Financial result			-23
<b>Income before taxes</b>			<b>18</b>
Ertragsteuern			-283
<b>Period result</b>			<b>-265</b>

The costs incurred in the individual divisions can be charged directly to the income in the respective division. There were no major transactions between the divisions. Invoicing between the divisions is carried out on the basis of internal prices as in the case of external third parties. In the Engineering division, close to 100% of the income was generated from services. Sales revenue in Technology Services can be broken down into around 67% from services (training, consulting, maintenance and customer-specific adjustments) and 23% (the total is not 100%) from deliveries (software and hardware). The sales of the TRIPLAN Group were primarily achieved through contracts for work. The remainder related to the sale of goods and the rendering of services within the framework of service contracts.

## TRIPLAN AG segment balance sheet 2006

	Operating assets	of which Goodwill	Operating liabilities	Investments in intangible assets and property, plant and equipment
	€ 000	€ 000	€ 000	€ 000
Engineering	13,461	2,033	7,376	461
Technology Services	4,931	1,715	975	85
<b>All segments</b>	<b>18,392</b>	<b>3,748</b>	<b>8,351</b>	<b>546</b>
Other	376	0	593	25
<b>TRIPLAN Group</b>	<b>18,768</b>	<b>3,748</b>	<b>8,944</b>	<b>571</b>

## TRIPLAN AG segment balance sheet 2005

	Operating assets	of which Goodwill	Operating liabilities	Investments in intangible assets and property, plant and equipment
	€ 000	€ 000	€ 000	€ 000
Engineering	8,783	2,033	6,144	1,564
Technology Services	3,971	1,715	748	65
<b>All segments</b>	<b>12,754</b>	<b>3,748</b>	<b>6,892</b>	<b>1,629</b>
Other	936	0	431	21
<b>TRIPLAN Group</b>	<b>13,690</b>	<b>3,748</b>	<b>7,323</b>	<b>1,650</b>

**(31) Members of the Supervisory Board and of the Management Board**

The Management Board of TRIPLAN AG during the reporting period consisted of:

Reinhard Meier	Chairman until 31 March 2006
Heinz Braun	Director of Finance and IT since 1 January 2006
Walter Nehrbaß	Chairman and Director of Engineering since 1 April 2006

The Supervisory Board consisted of:

Prof. Dr. Joachim W. Hohmann	Chairman	Management consultant, Bensheim, from 24 June 2004, from 13 October 2004 Chairman Other offices: Chairman of the Supervisory Board of FIM Fertigungsinformationssysteme für den Mittelstand AG, Reutlingen; Vice Chairman of the Supervisory Board of iQ Company AG, Walluf
Dieter Kunkel		Vice Chairman since 27 March 2002, engineer; Grenzach-Wyhlen
Rainer Schad		Lawyer, Tuttlingen, since 1 Januar 2006 Other offices: Chairman of the Supervisory Board of Bodensee Capital AG, Constance; Vice Chairman of the Supervisory Board of AC-Service AG, Stuttgart

**(32) Total emoluments of the Supervisory Board and Management Board, and loans issued**

Total emoluments for the Supervisory Board for the 2006 financial year were in accordance with the Articles of Association (€ 56 thousand; previous year € 80 thousand). Specifically, the Chairman of the Supervisory Board Prof. Dr. Joachim W. Hohmann received € 28 thousand, the Supervisory Board members Dieter Kunkel € 14 thousand and Rainer Schad € 14 thousand.

For the two members of the Management Board, there is an accident insurance policy in the amount of € 300 thousand each.

Reinhard Meier (until 31 March 2006)	Salary	€ 30,000.00 (previous year: 120,000.00)
	Provision for old age	€ 10,920.00 (previous year: 43,680.00)
	Profit sharing	€ 210,000.00
Heinz Braun (from 1 January 2006)	Salary	€ 109,454.88
	Automobile	€ 5,104.35
	Profit sharing	€ 110,000.00
Walter Nehrbaß (from 1 April 2006)	Salary	€ 95,527.24
	Automobile	€ 5,527.62
	Profit sharing	€ 130,000.00

Pension provisions for former members of the Management Board were € 408 thousand (previous year: € 412 thousand), and pension payments in 2006 were € 32,760.00.

**(33) Employees**

TRIPLAN employed on average 274 (previous year: 231) people.

**(34) Contingent liabilities**

The loan write-off by NORD/LB has resulted in a liability from an income adjustment bond. For the years 2004 to 2008, TRIPLAN is committed, subject to a limit of € 2.0 million, to pay 50% of the respective net income (net income prior to distribution) to NORD/LB if positive net income is realized.

**(35) List of consolidated subsidiaries**

Name	Headquarters	Share of capital in %	Main activities
ITandFactory GmbH	Bad Soden	100	Sale of IT programs, consulting
ITandFactory AG	Gebenstorf, Switzerland	100	Sale of IT programs, consulting
Venturis GmbH	Ettingen, Switzerland	100	Software development
Triplan Ingenieur AG	Basel, Switzerland	100	Facilities planning, consulting, services
Triplan Ingenieur s.r.o.,	Prague, Czech Republic	100	Facilities planning, consulting, services
TREVIS Ingenieure AG	Basel, Switzerland	51	Consulting, services

Due to its minor significance, Triplan Ingenieur s.r.o., Prague, is not included in the consolidated financial statements.

In addition to the subsidiaries and the company's headquarters in Bad Soden, there are company-owned branches of TRIPLAN AG in Hamburg, Merseburg, Krefeld, Leverkusen, Karlsruhe, Germany and Burghausen.

### (36) Other financial liabilities

Other financial liabilities result solely from lease and rental agreements (operating lease based on standard market conditions) and can be broken down as follows:

Financial year	Total	Rent	Lease
	€ 000	€ 000	€ 000
2007	788	527	261
2008–2011	885	522	363
2011 ff.	1	0	1
	<b>1,674</b>	<b>1,049</b>	<b>625</b>

### (37) Declaration of compliance with the Corporate Governance Codex

The Supervisory Board and the Management Board have published a declaration of compliance regarding the recommendations of the Government Commission on the German Codex of Corporate Governance in accordance with Section 161 of the German Joint Stock Companies Act (AktG).

### (38) Declaration under Takeovers Directive – Directive Implementation Act

Direct or indirect equity participation in TRIPLAN AG exceeding 10% of the voting rights exists only on the part of BEKO HOLDING AG. The share of voting rights held by BEKO HOLDING AG was 37.15% on 6 March 2007.

TRIPLAN AG in its articles of association meets the legal requirements of the German Joint Stock Companies' Act and the German Commercial Code. The appointment of the Management Board follows the stipulations of §§ 84, 85 Joint Stock Companies Act. The rules for changing the Articles of Association comply with the instructions of §§ 133, 179 Joint Stock Companies Act. Through resolution of the Annual Shareholders' Meeting, the Management Board is authorized, with approval of the Supervisory Board, to conditionally increase the share capital once or several times for the cases listed under III. (7). In addition, the Management Board is authorized, with approval of the Supervisory Board, to make the resulting modifications in the Articles of Association.

Bad Soden, 8 March 2007

**TRIPLAN AG**

**Walter Nehrbaß**

**Heinz Braun**

	Historical and production costs				
	1 Jan. 06	Additions	Currency	Disposals	Re-
	€ 000	fin. year € 000	conversion € 000	fin. year € 000	conversion € 000
<b>I. Intangible assets</b>					
1. Patents and trademarks and similar rights and assets and licenses for such rights and assets	5,931	415	2	0	0
1. a) Patents and trademarks and similar rights and assets and licenses for such rights and assets	1,827	165	2	0	0
1. b) Software development costs	4,104	250	0	0	0
2. Goodwill	6,609	0	0	0	0
	<b>12,540</b>	<b>415</b>	<b>2</b>	<b>0</b>	<b>0</b>
<b>II. Property, plant and equipment</b>					
Other plant, operating and office equipment	3,466	405	-5	2	0
	0	0	0	0	0
	<b>16,006</b>	<b>820</b>	<b>-3</b>	<b>2</b>	<b>0</b>

Accumulated depreciation / amortization						-Carrying amounts-			
31 Dec. 06	1 Jan. 06	Additions	Currency	Disposals	Reconversion	31 Dec. 06	31 Dec. 06	31 Dec. 05	
€ 000	€ 000	fin. year	conversion	fin. year	€ 000	€ 000	€ 000	€ 000	
6,348	4,717	724	0	0	0	5,441	907	1,214	
2,244	1,511	178	0	0	0	1,689	9	316	
4,104	3,206	546	0	0	0	3,752	898	898	
6,609	2,862	0	0	0	0	2,862	3,747	3,747	
<b>12,957</b>	<b>7,579</b>	<b>724</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,303</b>	<b>4,654</b>	<b>4,961</b>	
3,864	3,065	242	0	2	0	3,305	559	401	
0	0	0	0	0	0	0	0	0	
<b>16,821</b>	<b>10,644</b>	<b>966</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>11,608</b>	<b>5,213</b>	<b>5,362</b>	

## Report of the Supervisory Board for the 2006 financial year

The Supervisory Board fulfilled the tasks and duties incumbent upon it during the 2006 financial year. It monitored the work of the Management Board, from which it received ongoing briefings, verbal and written, on the situation at TRIPLAN AG. The Supervisory Board received and checked reports required of the Management Board. It verified all relevant transactions and held regular meetings with the Management Board to discuss business development, strategy and capital measures. Matters that required the involvement of the Supervisory Board in accordance with statutory regulations or the Articles of Association were dealt with in detail.

In our six regular meetings on 9 February, 10/11 April, 21 June, 17 August, 18 October and 13 December 2006, we discussed with the Management Board fundamental questions of business, personnel and capital market policy as well as the economic situation of TRIPLAN AG, including budget discussions, capital measures, future business policy, matters of acquisition and equity participation, risk management as well as strategic orientation. The members of the Supervisory Board were also regularly available outside of the regular meetings to provide the Management Board with advice, monitor its actions, and meet with consultants and company employees. In addition, the members of the Supervisory Board exchanged views regularly (at least once per month) on current issues for TRIPLAN AG and its affiliates.

In the following, you will receive a more detailed overview of the issues discussed in the Supervisory Board meetings: In the meeting on 9 February 2006, the Supervisory Board agreed on the budget for 2006, prepared the 2006 Annual General Meeting and extended the contract of Mr. Meier as Management Board chairman until 31 March 2006. In the meeting on 10/11 April 2006, the Board confirmed the financial statements for 2005 and discussed the strategy for the coming years, including creation of the new divisions. On 21 June 2006, the focus of the Supervisory Board meeting was on the results of the Annual General Meeting held that morning. On that day, the Supervisory Board also made resolutions on the merger of ItDL Ingenieurtechnische Dienstleistungen GmbH into TRIPLAN AG and the 51% equity participation in TREVIS Ingenieure AG. The meeting on 17 August 2006 took place at Triplan Ingenieure AG in Basel. Among other things, the strategy of TREVIS Ingenieure AG was presented and an exchange of views held with the newly formed Administrative Board of Triplan Ingenieur AG. On 18 October 2006, the Supervisory Board was informed about the success of the capital increase, in which all shares offered were purchased. In the last meeting of 2006 on 13 December, the Board discussed the takeover offer of BEKO Holding AG in detail. The new rules of procedure for the Management Board were approved by the Supervisory Board and signed by all participants.

The financial statements of TRIPLAN AG and the consolidated financial statements as of 31 December 2006, as well as the management report of TRIPLAN AG and the consolidated management report, have been audited by Herden Böttinger Borkel Neureiter GmbH, Hamburg, the auditors appointed by the General Meeting and commissioned by the Supervisory Board. The auditors found the reports to be in accordance with the company's properly kept books and with the statutory requirements. The independent auditor awarded the financial statements of TRIPLAN AG and the consolidated financial statements for 2006 an unqualified audit certificate.

Copies of the financial statement documents, the annual report and the reports from the auditors on their audit of the annual accounts and the consolidated annual accounts were made available to all members of the Supervisory Board in a timely manner prior to the corresponding meeting. The Supervisory Board reviewed the documents and discussed them in detail with the independent auditor. The Board unanimously approved the result of the audit. Having concluded its review, the Supervisory Board has no objections to the financial statements. At its regular meeting of 19 March 2007 and in the presence of the independent auditor, the Supervisory Board approved the financial statements and consolidated financial statements for the 2006 financial year as prepared by the Management Board. The financial statements are therefore duly approved.

The information regarding § 171 par. 2 sentence 2 of the Joint Stock Companies' Act and § 289 par. 4 as well as § 315 par. 4 of the German Commercial Code is shown, if applicable, in the Notes. Reference is also made to page 27 of the Group management report.

The following changes occurred with regard to the Company's official boards in the 2006 financial year:

- Mr. Reinhard Meier retired from the Management Board on 31 March 2006 when his appointment expired.
- Mr. Heinz Braun was appointed Management Board Director of Finance and IT effective 1 January 2006.
- Mr. Walter Nehrbass was appointed Director of Engineering and Management Board Chairman effective 1 April 2006.

The Supervisory board would like to thank the Management Board for its successful work for the Company over the year. Its thanks also go to all of the employees of TRIPLAN AG and its affiliates for their significant contribution to the success enjoyed by the company in its 2006 financial year.

Bad Soden, March 2007

Prof. Dr.-Ing. Joachim W. Hohmann  
Chairman of the Supervisory Board

## Independent Auditor's Report

We have audited the consolidated annual financial statements – consisting of the balance sheet, income statement, statement of changes in shareholders' equity, cash flow statement and notes – and the Group management report of TRIPLAN Aktiengesellschaft, Bad Soden, for the financial year from 1 January to 31 December 2006. Preparation of the consolidated annual financial statements and the Group management report in accordance with IFRS as applicable in the EU and additional applicable provisions of commercial law as stipulated by Section 315a, paragraph 1 of the German Commercial Code (HGB) and other provisions of the company's articles of association is the responsibility of the company's legally authorized representatives. Our responsibility is to express an opinion on the consolidated annual financial statements and group management report based on our audit.

We conducted our audit of the consolidated annual financial statements in accordance with Section 317 HGB, and the generally accepted German standards for the audit of financial statements promulgated by the German Institute of Auditors (IDW). Those standards require that we plan and perform the audit such that material misstatements affecting the presentation of the net assets, financial position and results of operations in the consolidated annual financial statements in accordance with the applicable accounting principles and in the group management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Group and evaluations of possible errors are taken into account in the determination of audit procedures. The effectiveness of the internal control system and the evidence supporting the disclosures in the consolidated annual financial statement and the Group management report are examined primarily on a sample basis within the framework of the audit. The audit includes assessing the financial statements of the companies included in the consolidated annual financial statements, the list of the consolidated companies, the accounting principles and consolidation principles used and significant estimates made by the legally authorized representatives, as well as evaluating the overall presentation of the consolidated annual financial statements and group management report. We believe that our audit provides a sufficiently secure foundation for our assessments.

Our audit did not result in any objections.

In our opinion and on the basis of the findings of our audit, the consolidated annual financial statements comply with IFRS as applicable in the EU and additional applicable provisions of commercial law as stipulated by Section 315a, paragraph 1 of the German Commercial Code (HGB) and other provisions of the company's articles of association and, in keeping with these principles, provide a true and fair view of the net assets, financial position and results of the Group. The Group management report is consistent with the consolidated annual financial statements, gives an appropriate description of the state of the Group overall and accurately portrays the opportunities and risks associated with future development.

Osnabrück, 9 March 2007

HERDEN BÖTTINGER BORKEL NEUREITER GmbH  
Wirtschaftsprüfungsgesellschaft (public accounting company)  
Steuerberatungsgesellschaft (tax consultants)

(U. Böttinger)  
Auditor

(M. Borkel)  
Auditor

## Corporate Governance

### Declaration of Compliance by TRIPLAN AG with the Corporate Governance Codex

On 29 March 2006, the Management Board and Supervisory Board of TRIPLAN AG submitted a declaration of compliance with the recommendations of the Government Commission on a German Corporate Governance Codex in accordance with § 161 of the German Joint Stock Companies' Act (AktG). The declaration of compliance reads:

Since submission of the last declarations in 2006, TRIPLAN AG has complied with the recommendations of the Government Commission on a German Corporate Governance Codex (in the version of 2 June 2005 and, since 12 June 2006, in the newly valid version) and will comply with the recommendation (in the version of 12 June 2006) in the future as well, but with the following exceptions:




- Contrary to the determination on D&O insurance (Codex no. 3.8. par. 2), the Company's D&O insurance does not include a deductible.
- Since the Supervisory Board consists of only three persons, Supervisory Board committees are not planned. (Codex no. 5.3).
- An obligatory age limit for Supervisory Board members (Codex no. 5.4.1 par. 2 sentence 3) is not planned.
- The remuneration of Supervisory Board members is exclusively by fixed shares. (Codex no. 5.4.7. par. 2).
- The share ownerships in the company by the board members will not be made public beyond the legally intended extent (Codex no. 6.6. par. 2).




For the time since submission of the declaration in February 2006 until 28 December 2006, the following additional exceptions are noted:

- The judicial appointment of a Supervisory Board member was not limited to the next Annual General Meeting (Codex no. 5.4.3. sentence 2).
- Contrary to the recommendation of 90 days, the Group financial statements for 2005 were published after 118 days on 9 June 2005 (Codex 7.1.2. sentence 3).

Beyond that, TRIPLAN AG largely follows the additional suggestions of the Codex on good corporate governance. A position on this will be taken in the annual report for the 2006 financial year completed on 31 December 2006.

For 40 years, **TRIPLAN** has offered engineering services for the process industry in the German-speaking region: in the growth sectors of pharmaceuticals and biotechnology, water treatment, the food and power industry and as an outsourcing partner in factory planning. With software tools and services from CAD/CAE to life-cycle management, the subsidiary ITandFactory GmbH is an innovative solution provider.

1967	1970	1983	1985	1995	1997	1999
 <p>TRIPLAN is founded in Bad Soden. The company initially provides engineering services to the chemical and pharmaceutical industries. From the beginning, one thing is clear: The company structure must be decentralized and organized in profit centers.</p>	<p>TRIPLAN follows its customers – this time to Switzerland. The subsidiary Triplan Ingenieur AG is founded in Reinach near Basel. It succeeds in acquiring the first chemical and pharmaceutical companies there as its customers. The first major order is also won, representing an investment of over DM 100 million. The increase in sales also means diversification.</p>  <p>TRIPLAN becomes an expert in engineering for public authorities, and – in the shadow of the energy crisis – in energy saving solutions for production facilities.</p>	<p>The Technology Services division is founded. The plant-planning tool, TRICAD is the first product to be ready for the market.</p> 	<p>The TRICAD planning software solution hits the market. At the same time, the portfolio is enhanced by a focus on buildings engineering (TRICAD GT).</p>	<p>The TRICAD software now operates on the market-standard MicroStation base. From Austria, it is just a small step over the border to the Czech Republic: TRIPLAN ing. s.r.o. is founded. In terms of technology, the first multipurpose plant designed using TRIPLAN's own modular technology is completed. Biotechnology is added as a further focus of TRIPLAN's engineering services.</p>	<p>This year sees development of an innovative tool for industrial services – the TRIBASE plant life-cycle database</p>	<p>TRIPLAN takes the first steps towards a subsequent flotation by converting the former limited liability company (GmbH) into the joint stock company TRIPLAN AG.</p>

2000	2001	2002	2003	2004	2005	2006
 <p>The engineering division and software sales gain an international dimension. Following many years of collaboration between the companies, CADISON Software GmbH and A&amp;H Informatikgesellschaft mbH are acquired, forming important cornerstones of the company's IT profile. The long-lasting cooperation with chemicals giants Roche and NOVARTIS also achieves a new dimension as TRIPLAN becomes an alliance partner of the two companies.</p>	<p>TRIPLAN AG floats on the stock exchange. Starting 29 March 2001, TRIPLAN shares can be traded on all seven German stock exchanges, using the share ID 749930 and ticker code TPN. Albert Kahn Ass. Inc. (AKW), a well-known planning company in the automotive sector, starts to use TRIPLAN tools as a partner in the USA. A new software solution hits the market in</p>  <p>TRIPLAN HEXPLAN – a project management tool.</p>	<p>Release 5.0 of TRICAD MS (conveyor systems, building engineering and plant planning) decisively improves consistency of factory planning throughout all technical areas. In the first half of 2002, following successful completion of a pilot project, Daimler-Chrysler AG commissions the complete recording in 3D of all its service systems in Halls 2 + 4 in Rastatt. The founding of IT GmbH brings together all IT activities of the TRIPLAN Group with the aim of significantly improving the company's presence on the market. In December 2002, the company leaves the SMAX small-cap market. Capital-market communications on the regulated market continue at the usual high standards.</p>	 <p>On 1 January, the IT activities are bundled in the subsidiary ITandFactory GmbH. The services offered stretch from plant, factory and building systems planning, through data management to IT consulting, and support the automobile industry in digital factory planning.</p>	<p>ITF achieves the turnaround, recording a profit for the year. Release 6.x is completed. In Austria, Engineering Services becomes an outsourcing partner of DSM.</p>	<p>Company founder and now CEO Reinhard Meier leads the company out of a critical economic situation. With several capital measures and a program of restructuring, Reinhard Meier is able to successfully renew the company, expand its business activities and lay a course for the future growth of TRIPLAN AG. Cost reduction measures and several major orders with a volume of more than € 10 million lead TRIPLAN AG back into the black. Reinhard Meier retires from the Board as planned on 31 March 2006. The Supervisory Board appoints Walter Nehrbass as the new Director of Engineering. Since 1 January 2006, Heinz Braun has been Director of Finance and IT. die Ressorts Finanzen und IT.</p>	<p>Heinz Braun, Director of Finance and IT since 1 January. Reinhard Meier retires from the Board as planned on 31 March. Walter Nehrbass is appointed Director of Engineering and Management Board Chairman starting 1 April. A master contract is signed with OMV Vienna (international oil group). Foundation of TREVIS Ingenieure AG, Switzerland; TRIPLAN owns 51%. The goals set are exceeded! Total operating performance of € 41 million with € 1.6 million EBIT achieved.</p>

**TRIPLAN AG**

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