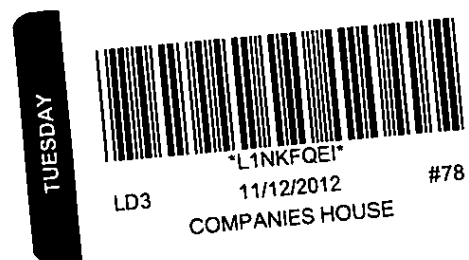


COMPANY REGISTRATION NUMBER 05679556

HYBRIS UK LIMITED
FINANCIAL STATEMENTS
31 DECEMBER 2011



HYBRIS UK LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2011

CONTENTS	PAGES
Officers and professional advisers	1
The directors' report	2 to 3
Independent auditor's report to the members of hybris UK Ltd	4 to 5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8 to 13
Detailed profit and loss account	14
Notes to the detailed profit and loss account	15

HYBRIS UK LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

Mr A F Luedi
Mr C O Thoma
Mr M Zips

Company secretary

CR Secretaries Limited

Registered office

New Bridge Street House
30-34 New Bridge Street
London
EC4V 6BJ

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2011

The directors present their report and the financial statements of the company for the year ended 31 December 2011

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of the distribution of software, software development, software consulting and all related services

DIRECTORS

The directors who served the company during the year were as follows

Mr A F Luedi
Mr C O Thoma
Mr M Zips

The company is a wholly owned subsidiary and the interests of the group directors are disclosed in the financial statements of the parent company

Mr M Zips was appointed as a director on 4 March 2011

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2011

- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Signed on behalf of the directors



M Zips
Director

Approved by the directors on

6. December 2012

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HYBRIS UK LIMITED (continued)

YEAR ENDED 31 DECEMBER 2011

We have audited the financial statements of **Error! Use the Home tab to apply Cover 1 to the text that you want to appear here** for the year ended 31 December 2011 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 13. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 2 to **Error! Bookmark not defined.**, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HYBRIS UK LIMITED *(continued)*

YEAR ENDED 31 DECEMBER 2011

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006

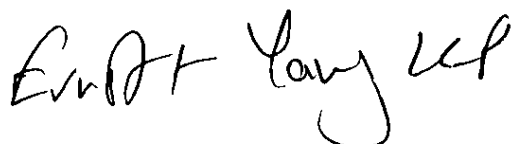
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report



Paul Gordon (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP (Statutory Auditor)
London

10 December 2012

HYBRIS UK LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 DECEMBER 2011

	Note	2011 £	2010 £
TURNOVER	2	11,594,973	3,887,718
Cost of sales		<u>6,153,736</u>	<u>330,802</u>
GROSS PROFIT		5,441,237	3,556,916
Administrative expenses		<u>4,988,749</u>	<u>3,692,000</u>
OPERATING PROFIT/(LOSS)	3	452,488	(135,084)
Interest receivable		–	194
Interest payable and similar charges		<u>(13,381)</u>	<u>(1)</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		439,107	(134,891)
Tax on profit/(loss) on ordinary activities		–	–
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		<u>439,107</u>	<u>(134,891)</u>

The notes on pages 8 to 13 form part of these financial statements

HYBRIS UK LIMITED

BALANCE SHEET

31 DECEMBER 2011

	Note	2011 £	£	2010 £	£
FIXED ASSETS					
Intangible assets	4		175		521
Tangible assets	5		233,108		12,751
			<u>233,283</u>		<u>13,272</u>
CURRENT ASSETS					
Debtors	6	2,824,241		1,326,613	
Cash at bank		3,483,622		4,809	
		<u>6,307,863</u>		<u>1,331,422</u>	
CREDITORS: Amounts falling due within one year	7	<u>6,139,215</u>		<u>1,381,870</u>	
NET CURRENT ASSETS/(LIABILITIES)			<u>168,648</u>		<u>(50,448)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>401,931</u>		<u>(37,176)</u>
CAPITAL AND RESERVES					
Called-up equity share capital	10		101		101
Share premium account	11		2,447,392		2,447,392
Profit and loss account	12		(2,045,562)		(2,484,669)
SHAREHOLDERS' FUNDS/(DEFICIT)			<u>401,931</u>		<u>(37,176)</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

6 December 2011 These financial statements were approved by the directors and authorised for issue on and are signed on their behalf by


M Zips
Director

Company Registration Number 05679556

The notes on pages 8 to 13 form part of these financial statements

HYBRIS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The company is reliant on the continuing financial support of its parent company which has confirmed that it will continue to provide working capital sufficient to enable the company to continue for the foreseeable future. On that basis these accounts have been prepared on a going concern basis.

Turnover

Revenue from the sale of indefinite software licences is recognised in full on the date the licence is granted. Revenue earned from customers who subscribe to use the company's software for a limited period is recognised evenly over the subscription period.

Revenue earned from the provision of software support and maintenance contracts is recognised evenly over the term of the contract for the provision of those services. Revenue arising from software support and maintenance provided other than in accordance with a fixed-term contract is recognised in the accounting period in which those services are provided.

Revenue from project work and work undertaken on behalf of other group companies is recognised when the work is undertaken. Revenue which has not been invoiced by the balance sheet date is recognised based on a fair assessment of the fair value of the services provided by the balance sheet date as a proportion of the total value of the project.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Computer software is amortised on a 25% straight line basis.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold Improvements are depreciated over 10 years straight line
Fixtures & Fittings are depreciated over between 5 and 8 years straight line
Computer Equipment is depreciated over 4 years straight line

HYBRIS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2. TURNOVER

Overseas turnover amounted to 32.24% (2010 - 53.43%) of the total turnover for the year.

The Overseas turnover contains the following major countries and is limited to Intercompany Revenue.

	2011	2010
Germany	16,504	1,337,760
Switzerland	3,713,736	187,273
USA	2,615	321,350
Others (IT, FR, NL, SE, AT)	4,913	230,968

HYBRIS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

3. OPERATING PROFIT/(LOSS)

Operating profit/(loss) is stated after charging

	2011 £	2010 £
Directors' remuneration	-	-
Salaries incl commission + bonus	3,133,058	1,458,871
Other staff costs	110,639	51,465
Amortisation of intangible assets	346	344
Depreciation of owned fixed assets	15,936	5,540
Auditor's fees	5,865	7,000
Net loss on foreign currency translation	<u>54,352</u>	<u>62,948</u>

4. INTANGIBLE FIXED ASSETS

	Computer software £
COST	
At 1 January 2011 and 31 December 2011	<u>1,764</u>
AMORTISATION	
At 1 January 2011	1,243
Charge for the year	346
At 31 December 2011	<u>1,589</u>
NET BOOK VALUE	
At 31 December 2011	<u>175</u>
At 31 December 2010	<u>521</u>

5. TANGIBLE FIXED ASSETS

	Leasehold Property £	Fixtures & Fittings £	Equipment £	Total £
COST				
At 1 January 2011	4,800	7,209	9,441	21,450
Additions	233,397	2,696	200	236,293
At 31 December 2011	<u>238,197</u>	<u>9,905</u>	<u>9,641</u>	<u>257,743</u>
DEPRECIATION				
At 1 January 2011	2,400	1,375	4,924	8,699
Charge for the year	12,070	1,366	2,500	15,936

HYBRIS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

At 31 December 2011	<u>14,470</u>	<u>2,741</u>	<u>7,424</u>	<u>24,635</u>
NET BOOK VALUE				
At 31 December 2011	<u>223,727</u>	<u>7,164</u>	<u>2,217</u>	<u>233,108</u>
At 31 December 2010	<u>2,400</u>	<u>5,834</u>	<u>4,517</u>	<u>12,751</u>

6. DEBTORS

	2011	2010
	£	£
Trade debtors	1,707,166	613,084
Amounts owed by group undertakings	26,542	632,770
Other debtors	92,212	2,996
Prepayments and accrued income	998,321	77,763
	<u>2,824,241</u>	<u>1,326,613</u>

7. CREDITORS: Amounts falling due within one year

	2011	2010
	£	£
Trade creditors	25,967	19,934
Amounts owed to group undertakings	2,664,849	656,961
Other creditors including taxation and social security		
PAYE and social security	251,047	80,009
VAT	670,615	60,675
Other creditors	36,573	5,850
Accruals and deferred income	2,490,164	558,441
	<u>6,139,215</u>	<u>1,381,870</u>

8. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2011 the company had aggregate annual commitments under non-cancellable operating leases as set out below

	2011	2010
	£	£
Office Rent which expire		
Within 1 year	-	8,505
Within 2 to 5 years	72,800	-
	<u>72,800</u>	<u>8,505</u>

HYBRIS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

	2011 £	2010 £
Office Equipment which expire		
Within 1 year	-	-
Within 2 to 5 years	<u>2,353</u>	<u>1,564</u>
	<u>2,353</u>	<u>1,564</u>

9. RELATED PARTY TRANSACTIONS

The company was under the control of Hybris AG, a company registered in Switzerland, throughout the current and previous year

The company has taken advantage of the exemption conferred by the Financial Reporting Standard for Smaller Entities (effective April 2008) not to disclose transactions with members of its group

10. SHARE CAPITAL

Allotted, called up and fully paid:

	2011		2010	
	No	£	No	£
101 Ordinary shares of £1 each	<u>101</u>	<u>101</u>	<u>101</u>	<u>101</u>

11. SHARE PREMIUM ACCOUNT

	2011 £	2010 £
Balance brought forward	2,447,392	-
Premium on shares issued in the year	-	<u>2,447,392</u>
Balance carried forward	<u>2,447,392</u>	<u>2,447,392</u>

12. PROFIT AND LOSS ACCOUNT

	2011 £	2010 £
Balance brought forward	(2,484,669)	(2,349,778)
Profit/(loss) for the financial year	<u>439,107</u>	<u>(134,891)</u>
Balance carried forward	<u>(2,045,562)</u>	<u>(2,484,669)</u>

HYBRIS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

13. ULTIMATE PARENT COMPANY

The ultimate parent company is Hybris AG, a company registered in Switzerland

Hybris AG prepares group financial statements and copies can be obtained from -
Birkenstrasse 49, CH-6343 Rotkreuz, Switzerland

HYBRIS UK LIMITED

DETAILED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2011

	2011		2010	
	£	£	£	£
TURNOVER				
Sales - licences		6,803,168		1,283,500
Sales - maintenance 1st year		582,045		78,408
Sales - maintenance renewals		226,028		233,377
Sales - service PS		188,321		59,069
Sales - service PS 3rd party		19,313		111,117
Sales - licences 3rd party		11,200		12,032
Sales - forward marketing costs		13,379		500
Sales - other revenue		13,750		32,363
Sales - forward costs Hybris		3,737,769		2,077,352
		<u>11,594,973</u>		<u>3,887,718</u>
COST OF SALES				
External contractors	447,291		244,056	
Licence fee	27,284		86,746	
Reseller Contribution	5,679,161		-	
		<u>6,153,736</u>		<u>330,802</u>
GROSS PROFIT		<u>5,441,237</u>		<u>3,556,916</u>
OVERHEADS				
Administrative expenses		4,988,749		3,692,000
OPERATING PROFIT/(LOSS)		<u>452,488</u>		<u>(135,084)</u>
Bank interest receivable		-		194
		<u>452,488</u>		<u>(134,890)</u>
Interest payable		(13,381)		(1)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES		<u>439,107</u>		<u>(134,891)</u>

HYBRIS UK LIMITED

NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2011

	2011 £	2010 £
ADMINISTRATIVE EXPENSES		
Wages and salaries	3,133,058	1,458,871
Employers national insurance contributions	471,501	138,595
Other staff costs	110,639	51,465
Rent	123,684	42,821
Insurance	42,205	20,346
Motor expenses	72,288	51,137
Travel and subsistence	419,757	221,962
Telephone	58,917	30,505
Computer running costs	6,291	5,905
Printing, stationery and postage	5,413	2,351
Staff training	8,934	2,698
Sundry expenses	2,922	6,044
Subscriptions	2,646	538
Consulting fees	107,511	388,316
Advertising	260,383	204,102
Entertaining	25,197	1,732
Management charges payable	-	957,745
Legal and professional fees	26,194	14,024
Accountancy fees	31,525	12,679
Auditors remuneration	5,865	7,000
Amortisation	346	344
Depreciation	15,936	5,540
Bad debts written off	(4,380)	-
Bank charges	7,565	4,332
Foreign currency gains/losses	54,352	62,948
	<u>4,988,749</u>	<u>3,692,000</u>
INTEREST RECEIVABLE		
Bank interest receivable	-	194
INTEREST PAYABLE		
Bank interest payable	-	1
Interest on other loans	13,381	-
	<u>13,381</u>	<u>1</u>