



ANNUAL REPORT 2015



SELECTED KEY FIGURES OF THE GROUP

in € million

	2010	2011	2012	2013	2014	2015	
Transaction Revenues	94.92	83.92	90.97	95.72	101.80	83.20	
Sales Revenues (excluding other operative income)	72.66	65.42	74.82	82.21	89.38	73.32	
Cost of Materials	-62.11	-55.35	-64.70	-71.84	-78.74	-62.93	
Gross Profit	10.56	10.07	10.12	10.38	10.64	10.39	
Gross Profit Margin (of Transaction Revenues)	in %	11.1	12.0	11.1	10.8	10.5	12.5
Gross Profit Margin (of Sales Revenues)	in %	14.5	15.4	13.5	12.6	11.9	14.2
Personnel Expenses	5.67	5.88	4.75	4.98	5.41	5.19	
Other Expenses	5.26	4.92	5.80	5.35	5.18	5.21	
EBIT	-0.66	-0.89	0.09	0.24	0.11	0.09	
Result from Ordinary Activities	0.08	0.04	0.02	0.00	0.00	0.00	
EBT	-0.58	-0.85	0.10	0.24	0.11	0.09	
Net Income/Loss	-0.62	-0.88	0.08	0.23	0.10	0.08	



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ASKNET AT A GLANCE

1995 ESTABLISHED



2006 IPO



3 BUSINESS UNITS



DIGITAL
GOODS



PHYSICAL
GOODS



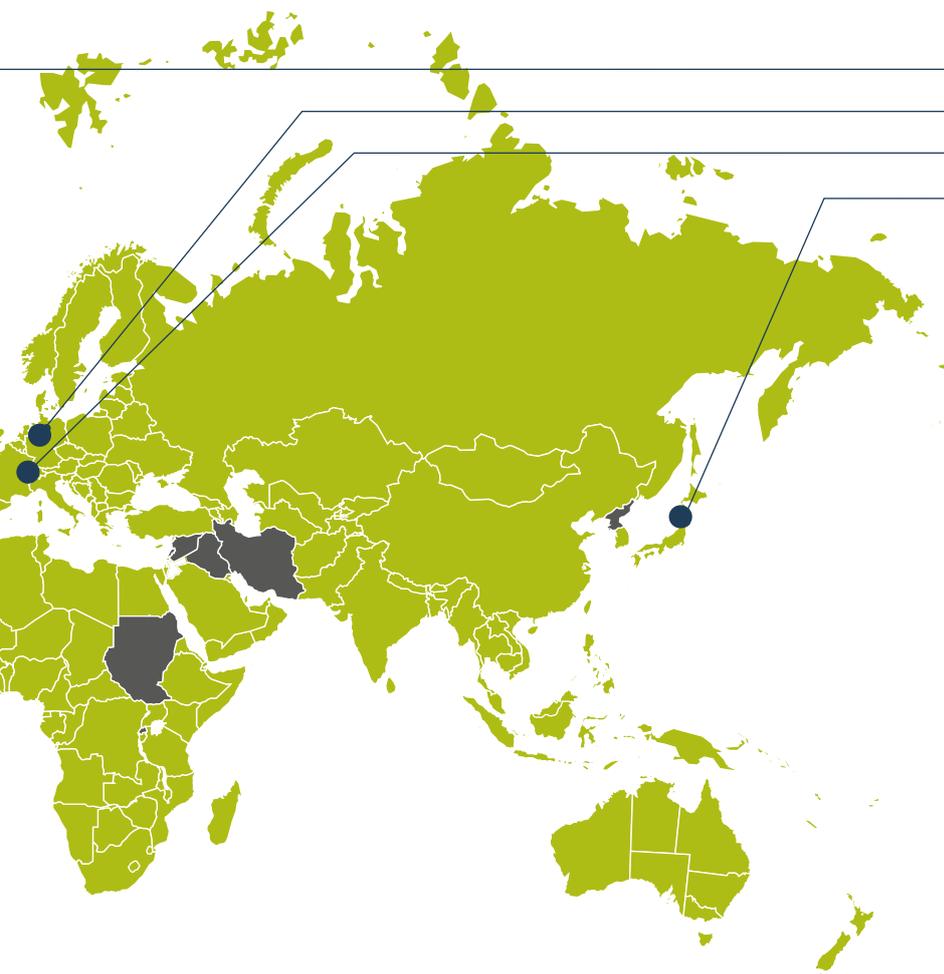
ACADEMICS

190 DELIVERY COUNTRIES



MARKETS

 Countries in which we sell



4 BRANCHES

- asknet Inc. USA
- asknet AG Germany
- asknet Switzerland GmbH
- asknet KK Japan

~100 EMPLOYEES



>30 SHOP LANGUAGES



>30 SHOP CURRENCIES



■ Embargo countries



MANAGEMENT



“We revised and modernised our strategy and our structures from scratch, while at the same time maintaining our solid focus on day-to-day business.”

› **Mr Kaulfuss, how would you sum up the company’s development since you took over as CEO of asknet AG in November 2014?**

We are looking back on some eventful months in which we have achieved a lot. We have revised and modernised our strategy and our structures from scratch, while at the same time maintaining our solid focus on day-to-day business. We will continue this process of change with great determination as it is our medium to long-term objective to improve our profitability notably and to accelerate our growth. I am convinced that the strategic measures we initiated over the past months form a strong foundation for this and I believe that we have made substantial progress in the past months. We now need to implement our objective step by step on the operations side.

› **Which of the strategic measures you decided in 2015 would you single out as critical for asknet’s profitable future growth?**

The most important measure certainly was to reposition our company on the basis of a new corporate philosophy that has been laid down in a set of values. Organised into three guiding principles, namely customer centricity, sales orientation and entrepreneurship, this set of values will help us to not lose sight of our strategic and operational objectives in a dynamic and changing market environment. This will allow us to focus on important topics and to use the available resources for the development of new, high-quality products and services.

The set of values has already led to the split-up of our former eDistribution and ePortals segments into three new business units, namely Digital Goods, Physical Goods and Academics. On the basis of these new,

INTERVIEW WITH TOBIAS KAULFUSS, CEO

flexible and independent units, we can now match our products and our customer approach more effectively to actual market and customer requirements.

› What consequences will the new strategic guidelines have for the Group and its employees?

Customer centricity means that we align our business segments more closely with customer groups. Whether it is universities, software publishers or manufacturers of physical goods – we want our individual business units to offer services and identify and develop new, sensible products that meet the market and customer requirements along the e-commerce value chain. This requires greater interaction with the customers, which implies that we will have to build up the respective service and support resources.

Stronger sales orientation means that we will increase the market presence of our business units both in product-specific and geographic terms. Needless to say, stronger sales orientation will also be predicated on building up additional sales resources. The foundation of a new branch office in Switzerland in 2015 follows this logic. The new office subsidiary is explicitly assigned to the Academics Business Unit and will help us go for business in the attractive Swiss university market more vigorously and in a more customer-driven way.

Entrepreneurship means that every business unit, as well as every single employee, has responsibility for their actions. Enthusiasm for asknet and the readiness to embrace change are important aspects. We will also introduce clearly defined product responsibilities. This makes our actions and our customer approach more transparent and allows us to deliver market-compliant solutions faster and in a more flexible and focused manner. After all, this is the specific strength of asknet over its competitors.

New Business Units:

- › Digital Goods
- › Physical Goods
- › Academics

“We will continue the process of change in 2016.”

› **What are the most important topics for the current financial year?**

We will continue the process of change in 2016. With regard to our existing business, we will focus on efficiency gains and profit growth. To achieve this increase in efficiency, we will optimise the customer service and fulfilment processes, for instance. Moreover, we will continue to increase our margins. As a general rule, each customer relationship should make a positive profit contribution.

The development and marketing of promising individual products is another important topic for 2016. To identify these products, we have invested a lot of time and effort and subjected our product range to an external evaluation. We not only expect this focus on individual products to help us win new customers but also hope it will open up additional business potential with our existing customers.

› **Can you already name a concrete product you want to market in 2016?**

asknet Verify is a very promising product. This solution originates in the Academics Business Unit and permits an automated verification of personalised data such as the student status. We plan to offer asknet Verify in important academic markets outside the German speaking region in 2016. Our analyses have also identified huge potential outside the research and teaching sector. Many manufacturers offer specific discounts. But to ensure that these can be used exclusively by the desired target group, our product asknet Verify is easily integrated into existing online shops, where it ensures a smooth verification process regardless of the platform used. Such a scalable solution that can be employed across different devices and internationally as well as in different e-commerce platforms has not been available in the market so far. We will therefore clearly intensify our sales efforts for asknet Verify in 2016. Our Business Unit Digital Goods has already signed up a number of renowned customers for this solution, including Kaspersky Lab and Verbi GmbH in 2015.

› **What role does the established shop solution play in asknet’s product portfolio?**

Our eCart solution remains the core product in the Digital and Physical Goods Business Units. But technical development in the e-commerce sector has become so dynamic and multi-faceted that in-house development of all products along the value chain does not make sense – neither for asknet nor for other market participants. We therefore want to make our platform more open to third-party systems and focus our own solutions more strongly on our core competencies. Also, we will target specific customer groups more effectively. The ideal target customer is a medium-sized manufacturer of physical or digital goods with an international orientation who wants to start online commerce quickly and easily. Starting from the shopping cart, we take charge of the complete technical and commercial process, including reselling, compliance with export and tax regulations and handling currency issues (merchant of record). We can do this also with existing content systems, meaning that manufacturers and dealers can outsource their complete shops to us, which clearly distinguishes us from other providers, especially in the physical goods segment.

“We therefore want to make our platform more open to third-party systems and focus our own solutions more strongly on our core competencies.”

› What role will asknet play in the e-commerce market in the future?

The market for all-in e-commerce solutions is characterised by strong competition. Moreover, technical USPs are very expensive to develop and often do not last long. We therefore want to position us primarily as a smart adopter who identifies the product-relevant features and services for its customers and integrates them into the online shop. In doing so, we will rely more strongly on partners who help us expand our range of solutions more quickly and effectively.

By contrast, we certainly take a leading role for certain products such as asknet Verify. In the segment of the Academics Business Unit, which has used this solution as a standard for many years, we are also a leader in Germany when it comes to the procurement and distribution of software, and also hardware, for the higher education market.

› How do you want to leverage your leading position in the Academics segment? What are your plans here?

Above all, we want to accelerate our internationalisation, which includes winning significant market share in Switzerland. But we also want to make inroads into new markets where we have not had a presence, yet. Just like the other business units, we will also expand our offerings in the higher education market.

“Above all, we want to accelerate our internationalisation.”

In the course of the year 2016, for instance, we will bring an Infrastructure as a Service (IaaS) solution for small and medium-sized universities and colleges to the market. This type of service quickly provides all network components from server and computing power to network capacity via the cloud. We have identified a clear need for such services in the academics market and developed an excellent product in cooperation with various providers. In the medium term, we want to establish ourselves as one of the first – if not the first – fully integrated provider of cloud capacities in the academics segment.

We will also expand our software asset management (SAM) services for academic customers. Here, asknet manages the complete process of selecting, procuring and managing software, which is particularly attractive for research companies as well as small and medium-sized universities.

› How will the process of change you have initiated be reflected in the results in the short and medium term?

For the financial year 2016 we are confident to post small earnings before taxes (EBT) and to further increase the gross profit margin. In the medium term, we aim for earnings before taxes to amount to about 10 percent of gross profits. This would open up new possibilities for development and distribution but also for acquisitions.

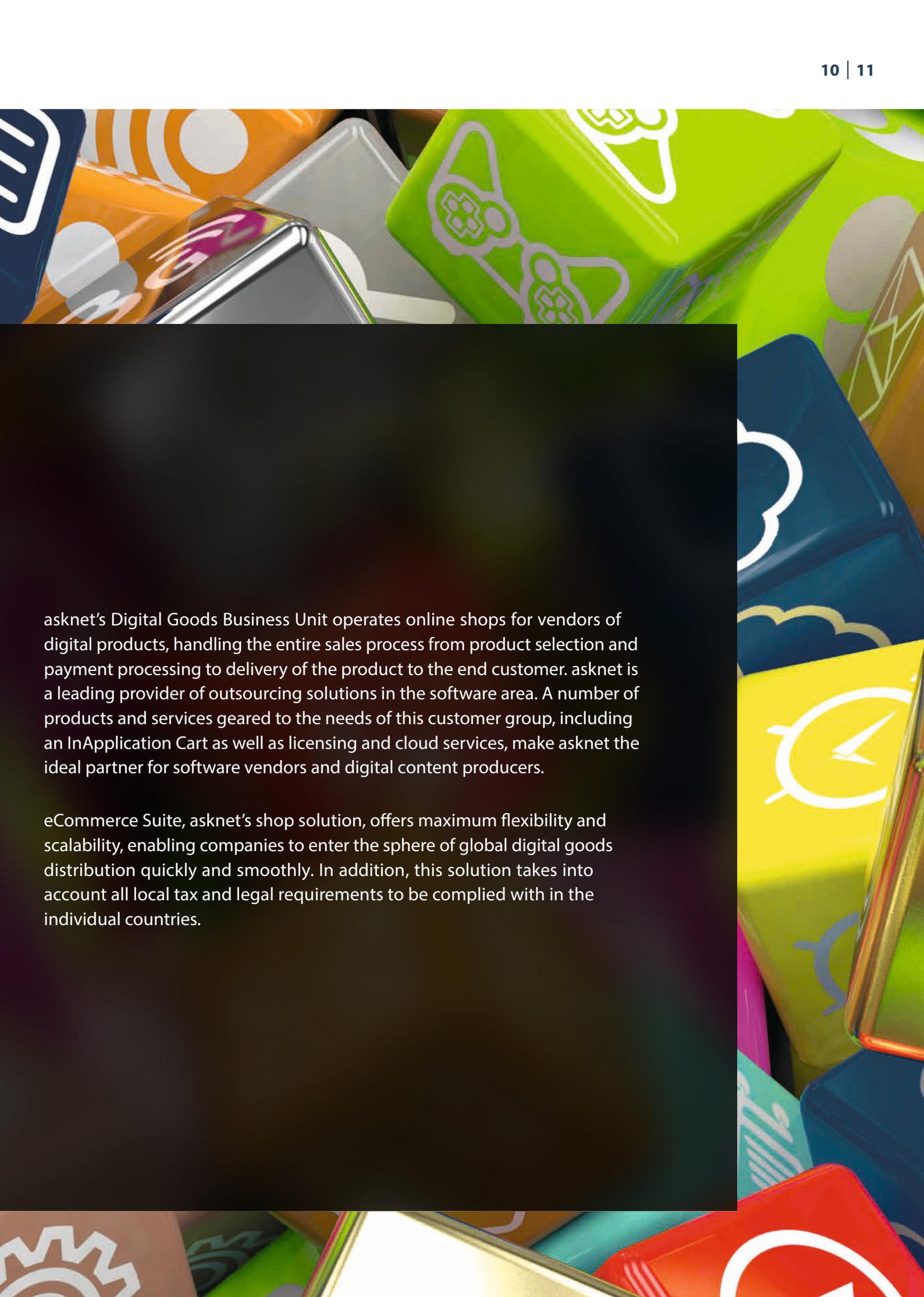
“In the medium term, we aim for earnings before taxes to amount to about 10 percent of gross profits.”

Today already, asknet is a business partner of eight of the “Fortune 500” companies, cooperates with numerous internationally renowned manufacturers and counts 80 percent of Germany’s universities and research institutions among its customers. I therefore think that we definitely have the potential for significant growth in the coming years.



DIGITAL
GOODS

SPECIALIZING
IN THE **GLOBAL**
DISTRIBUTION
OF **DIGITAL** GOODS



asknet's Digital Goods Business Unit operates online shops for vendors of digital products, handling the entire sales process from product selection and payment processing to delivery of the product to the end customer. asknet is a leading provider of outsourcing solutions in the software area. A number of products and services geared to the needs of this customer group, including an InApplication Cart as well as licensing and cloud services, make asknet the ideal partner for software vendors and digital content producers.

eCommerce Suite, asknet's shop solution, offers maximum flexibility and scalability, enabling companies to enter the sphere of global digital goods distribution quickly and smoothly. In addition, this solution takes into account all local tax and legal requirements to be complied with in the individual countries.

PRODUCTS

ASKNET DIGITAL ECOMMERCE SUITE

The asknet eCommerce Suite, the company's shop solution, is a mainstay of the Digital Goods Business Unit's offering. Under this business model, asknet acts as a reseller and distributor, handling the complete process of digital goods distribution autonomously. In addition to a mobile cart solution, there is also an InApplication Cart enabling a seamless shopping experience from within a software application or app. Going forward, asknet will increasingly integrate third-party solutions and partner services to complement its own expertise where this makes business sense. An additional focus will be placed on developing promising stand-alone products along the e-commerce value chain.



MERCHANT OF RECORD

asknet's core expertise includes the handling of all international tax implications, ensuring compliance with export restrictions as well as comprehensive management of currency-related issues including the entire risk management process. While asknet acts as a reseller and merchant of record, the end customer remains immersed in the vendor's brand experience.

PROJECT AND SHOP MANAGEMENT

asknet handles the entire shop set-up from development to front-end design on behalf of the customer while also ensuring seamless system integration with existing shop systems, databases and marketing tools. After the launch asknet remains in charge of managing and optimizing the shop, which includes comprehensive online reporting.

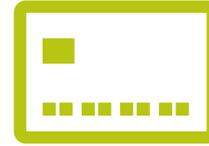


CHECKOUT

asknet can assume responsibility for all post-checkout functions on a worldwide basis, handling everything from payment processing to charge management, from shipment to contract management. The asknet eCommerce Suite is designed for quick and smooth hook-up to an existing front end or an existing shop technology (Checkout Only). Companies who have already installed a domestic e-commerce channel can use the latter option to internationalize their business and reach out to target groups in specific markets.

PAYMENT

asknet can handle worldwide payments in over 30 currencies and involving more than 40 different payment and charging methods. The systems are geared to minimizing refunds and maximizing fraud prevention. Accurate, fast and secure handling of new charging models such as cloud services and subscriptions is ensured as well.



CUSTOMER SERVICE

Customer service is available in more than 10 languages to support buyers during the buying process and answer all questions relating to order processing, payment, invoices and downloads.

SUBSCRIPTION SERVICES

asknet provides downloading services in line with end customer needs and supports vendors of digital goods in organizing and handling their customer contracts and product licensing activities. This includes multilingual messaging to deliver charging statements and inform customers of upcoming contract renewals and new offers.



ONLINE MARKETING SERVICES

asknet customers can avail themselves of a broad range of online marketing tools to optimize the international distribution of their products. asknet can bring in experienced online marketing partners to ensure the best possible results in planning and implementing campaigns.



SELECTED CUSTOMERS:



Learn more at asknet.com/digital-goods



FRANZ SCHLICKUM
Vice President
Digital Goods Business Unit

ASKNET VERIFY

INTERNATIONAL SOLUTION FOR STUDENT VERIFICATION

asknet offers the possibility to distribute products and services to students at discounted prices through its online shops. Drawing on its long-standing experience in the higher education market, the company has developed a comprehensive product to handle the complete student status verification process for the distribution of discounted products. Since 2015 asknet Verify has been marketed as a stand-alone solution to be hooked into existing shops using a standard interface. Its unique combination of digital and non-digital verification methods allows for an almost 100 percent verification rate. asknet Verify will be rolled out to other important markets outside the German-speaking region in 2016. In addition, enormous potential for application of this product has been identified beyond its core application in standard student verification.

REASONS TO CHOOSE ASKNET VERIFY

- › asknet helps vendors increase their sales in the higher education market
- › asknet Verify gives vendors exposure to more than three million students in Germany, Austria and Switzerland alone
- › Safe and reliable authentication process ensures that access to higher education discounts remains confined to eligible groups
- › Automated real-time verification on a 24/7 basis
- › Solution integrates smoothly with any existing e-commerce platform
- › Highly automated checking processes and comprehensive reporting

IMPORTANT FEATURES

Transparency

The administrator console allows customers to check verifications on an ongoing basis.

Security

All information is stored in accordance with German and European data privacy laws.

Reporting

The customer dashboard provides access to all information including reports and archives.

ASKNET VERIFICATION PROCESS

1. An online shop advertises special offers for students
2. The student selects a discounted product or a product from the education discount range
3. The student is transferred to the asknet Verify platform which emulates the look and feel of the online shop
4. Here the student selects the verification method available for his/her university
5. (a) Automatic verification in real time without interrupting the buying process
or
(b) manual verification via upload of student status documents
6. asknet submits verification result to the online shop



SELECTED CUSTOMERS:

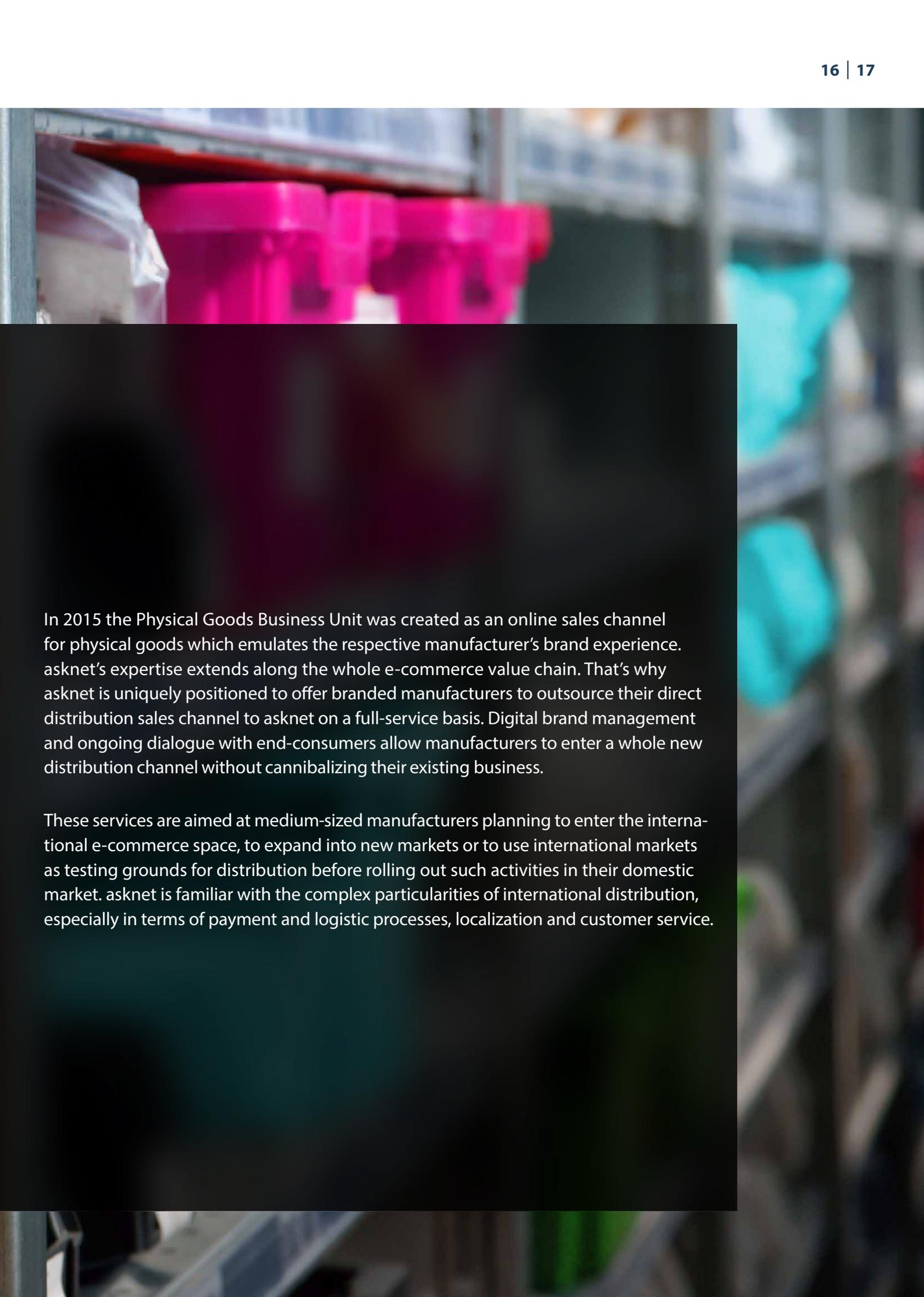


› Learn more at asknet.com/verify



PHYSICAL
GOODS

SPECIALIZING
IN THE **GLOBAL**
DISTRIBUTION
OF **PHYSICAL GOODS**



In 2015 the Physical Goods Business Unit was created as an online sales channel for physical goods which emulates the respective manufacturer's brand experience. asknet's expertise extends along the whole e-commerce value chain. That's why asknet is uniquely positioned to offer branded manufacturers to outsource their direct distribution sales channel to asknet on a full-service basis. Digital brand management and ongoing dialogue with end-consumers allow manufacturers to enter a whole new distribution channel without cannibalizing their existing business.

These services are aimed at medium-sized manufacturers planning to enter the international e-commerce space, to expand into new markets or to use international markets as testing grounds for distribution before rolling out such activities in their domestic market. asknet is familiar with the complex particularities of international distribution, especially in terms of payment and logistic processes, localization and customer service.

PRODUCTS

ASKNET PHYSICAL ECOMMERCE SUITE

The Physical Goods Business Unit uses the asknet shop solutions (asknet eCommerce Suite) and the related components and services to deliver superior value to manufacturers compared to alternative shop systems. While outsourcing-based business models are widely used in the field of digital goods, there are only very few competitors who can offer integrated international solutions such as the ones provided by asknet for the new physical goods space. Communicating this unique selling proposition is an important sales point. Physical goods distribution puts a premium on fulfillment, i.e. on such logistic tasks as warehousing, packaging, shipment and returns management.



MERCHANT OF RECORD

asknet's core expertise includes the handling of all international tax implications, ensuring compliance with export restrictions as well as comprehensive management of currency-related issues including the entire risk management process. While asknet acts as a reseller and merchant of record, the end customer remains immersed in the vendor's brand experience.

PROJECT AND SHOP MANAGEMENT

asknet can handle the entire shop set up on behalf of the customer, including, if so desired, the complete front end design as well as ongoing management of a multilingual product catalogue. Of course it is also possible to use an existing product presentation. Once the shop is up and running, it can be managed and updated by asknet on an ongoing basis. Comprehensive reporting and testing contributes to smooth and successful shop operation.

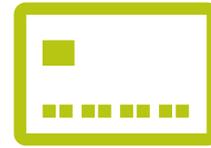


CHECKOUT

asknet can assume responsibility for all post-checkout functions on a worldwide basis. Seamless shopping basket services and technologies ensure a high-quality user experience across all devices and markets. The asknet eCommerce Suite is designed for quick and smooth hook-up to an existing front end or an existing shop technology (Checkout Only). Manufacturers who have already installed a domestic e-commerce channel can use the latter option to internationalize their business and reach out to target groups in specific markets.

PAYMENT

asknet can handle worldwide payments in over 30 currencies and involving more than 40 different payment and charging methods. Moreover, all asknet processes are designed to minimize refunds and maximize fraud prevention.



CUSTOMER SERVICE



Customer service is available in more than 10 languages to support buyers during the purchasing process and answer all questions relating to order processing, payment, invoices and downloads.

FULFILLMENT

A global network of logistics partners is in place to make fast deliveries to all important regions worldwide. In addition, asknet offers the choice between different shipment modes while also providing shipment tracking and displaying real-time inventory data. Where required, existing warehouses can be tied into the system so that merchandise can be shipped from such locations directly.



ONLINE MARKETING SERVICES



asknet customers can avail themselves of a broad range of online marketing tools to optimize the international distribution of their products. asknet can bring in experienced online marketing partners to ensure the best possible results in planning and implementing campaigns.



SELECTED CUSTOMERS:



› Learn more at asknet.com/physical-goods

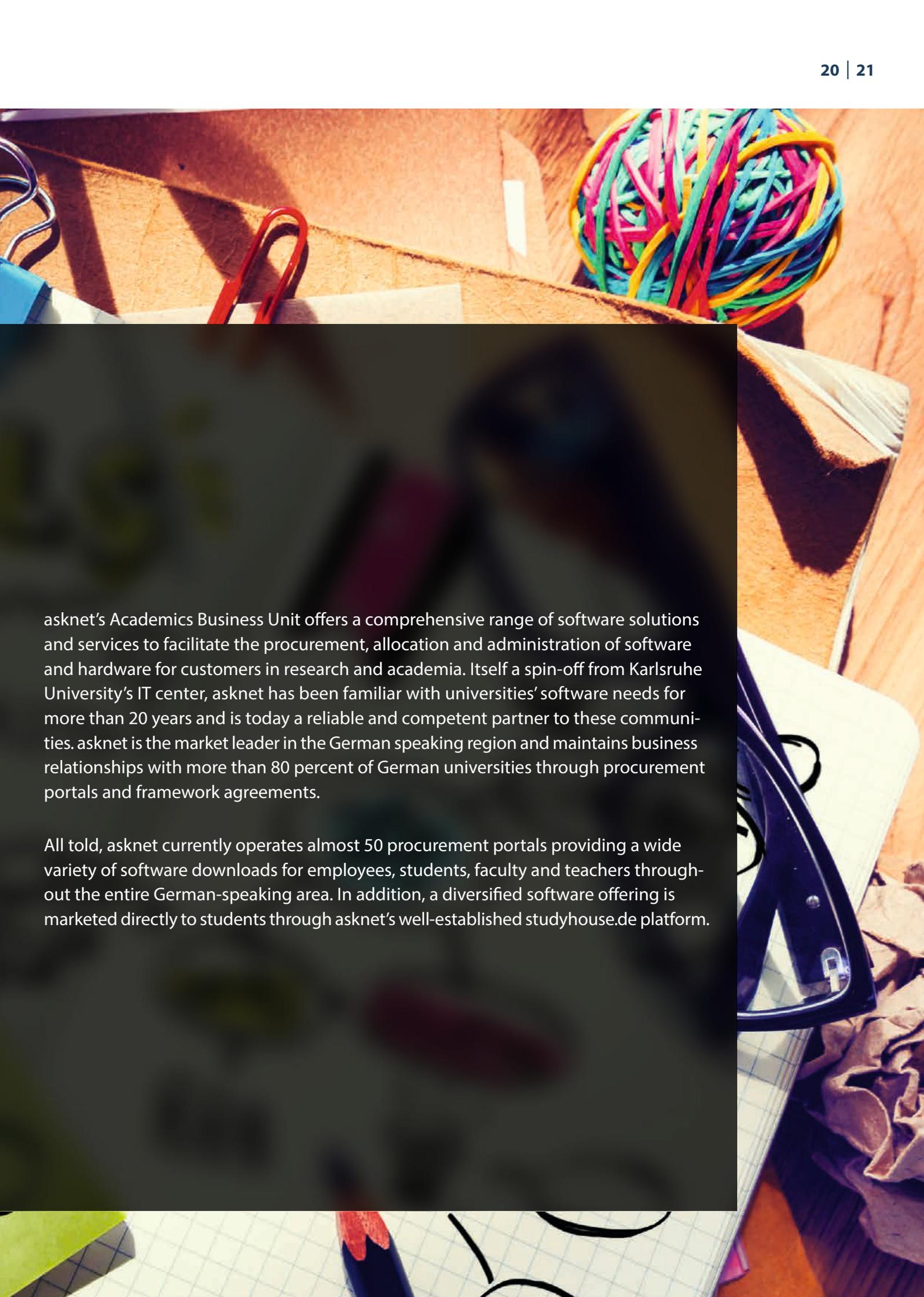


ANDREAS UNGER
Vice President
Physical Goods Business Unit



ACADEMICS

PARTNERING
WITH THE RESEARCH
AND **ACADEMIA**
COMMUNITIES

A top-down view of a desk. In the upper right, a ball of multi-colored rubber bands (pink, blue, yellow, green) sits on a wooden surface. To its left is a red paperclip. Further left, a blue folder and a pair of glasses are partially visible. The desk is cluttered with papers and a cardboard box.

asknet's Academics Business Unit offers a comprehensive range of software solutions and services to facilitate the procurement, allocation and administration of software and hardware for customers in research and academia. Itself a spin-off from Karlsruhe University's IT center, asknet has been familiar with universities' software needs for more than 20 years and is today a reliable and competent partner to these communities. asknet is the market leader in the German speaking region and maintains business relationships with more than 80 percent of German universities through procurement portals and framework agreements.

All told, asknet currently operates almost 50 procurement portals providing a wide variety of software downloads for employees, students, faculty and teachers throughout the entire German-speaking area. In addition, a diversified software offering is marketed directly to students through asknet's well-established studyhouse.de platform.

PRODUCTS

PROCUREMENT PORTALS

Customers in research and academia use asknet to optimize their procurement and distribution of software and hardware. As a leading service provider in this field, asknet operates customized portals presenting the agreed portfolio of products, the respective framework agreements as well as the customer's purchasing policies. Customers can greatly enhance the efficiency of their software procurement, allocation and charging processes by integrating their existing infrastructure into an asknet portal which also includes a usage-based internal charging model to allocate software costs to specific cost centers and cost bearers. In addition, the ongoing expansion of asknet's product portfolio in the hardware area creates the prospect of managing an academic institution's entire IT procurement activities through an asknet platform.



VOLUME LICENSES (DIRECT SOFTWARE SALES)

asknet offers customers in the research and academia communities a wide range of volume license programmes comprising software from more than 100 vendors. Customers benefit from excellent purchasing terms, a transparent overview of their software and hardware inventories, low procurement and logistic costs as well as short lead times. Symantec, Microsoft, IBM and Adobe are some of the major vendors counting asknet among their certified and award-winning software license partners.

SOFTWARE ASSET MANAGEMENT

asknet assists organizations and companies in raising the efficiency of their software investments. Value-oriented advice, reliable services and highly advanced technologies are provided to optimize the entire process of software selection, procurement and administration. This modular offering ranges from basic license management solutions to complete outsourcing programmes for software asset management. asknet puts customers in full control of their software and license inventory, flags up under-licensed and over-licensed situations and issues certificates to licensing compliance. Going forward, the company will focus on increasing the depth of its offering and expanding the circle of customers.





INFRASTRUCTURE AS A SERVICE (IAAS)

An IaaS offering for small and medium-sized universities and polytechnics will be added to asknet’s portfolio in 2016. This type of cloud-based service allows for quick delivery of all network components from servers and computing power to server operating systems. Fast availability and a simple ordering process are the hallmarks of asknet’s customized IaaS solutions. In addition, asknet ensures a transparent and efficient integration into existing processes and infrastructure. asknet’s envisages establishing itself as one of the first fully integrated providers of cloud capacity in the academic space over the medium term.

VERIFICATION SERVICES

asknet offers German universities an exclusive possibility to offer their students software products through customized web portals. This includes a complete - manual or automated - verification service for Microsoft and Adobe products as well as dedicated support functions (asknet Verify). This fully privacy compliant offering enables universities to offer their students genuine added value without having to worry about data privacy concerns. While this programme is free of any cost to the universities, end users pay only a small handling fee on top of the discounted software license fees.



SOFTWARE CATALOG (SELECTION):



HARDWARE CATALOG (SELECTION):



› Learn more at asknet.com/academics



MICHAEL BAUMANN
Vice President
Academics Business Unit

CUSTOMER GROUPS



Research institutions



Universities



Students



Staff

PROCUREMENT PORTALS

33 INDIVIDUAL PORTALS

30 Universities

3 Research institutions

9 STATE PORTALS

Baden-Wuerttemberg

Hamburg

Hessen

Rhineland-Palatinate

Lower Saxony

North Rhine-Westphalia

Saarland

Schleswig-Holstein/Bremen

Baden-Wuerttemberg schools administration

6 NATIONAL PORTALS

German universities

Swiss universities

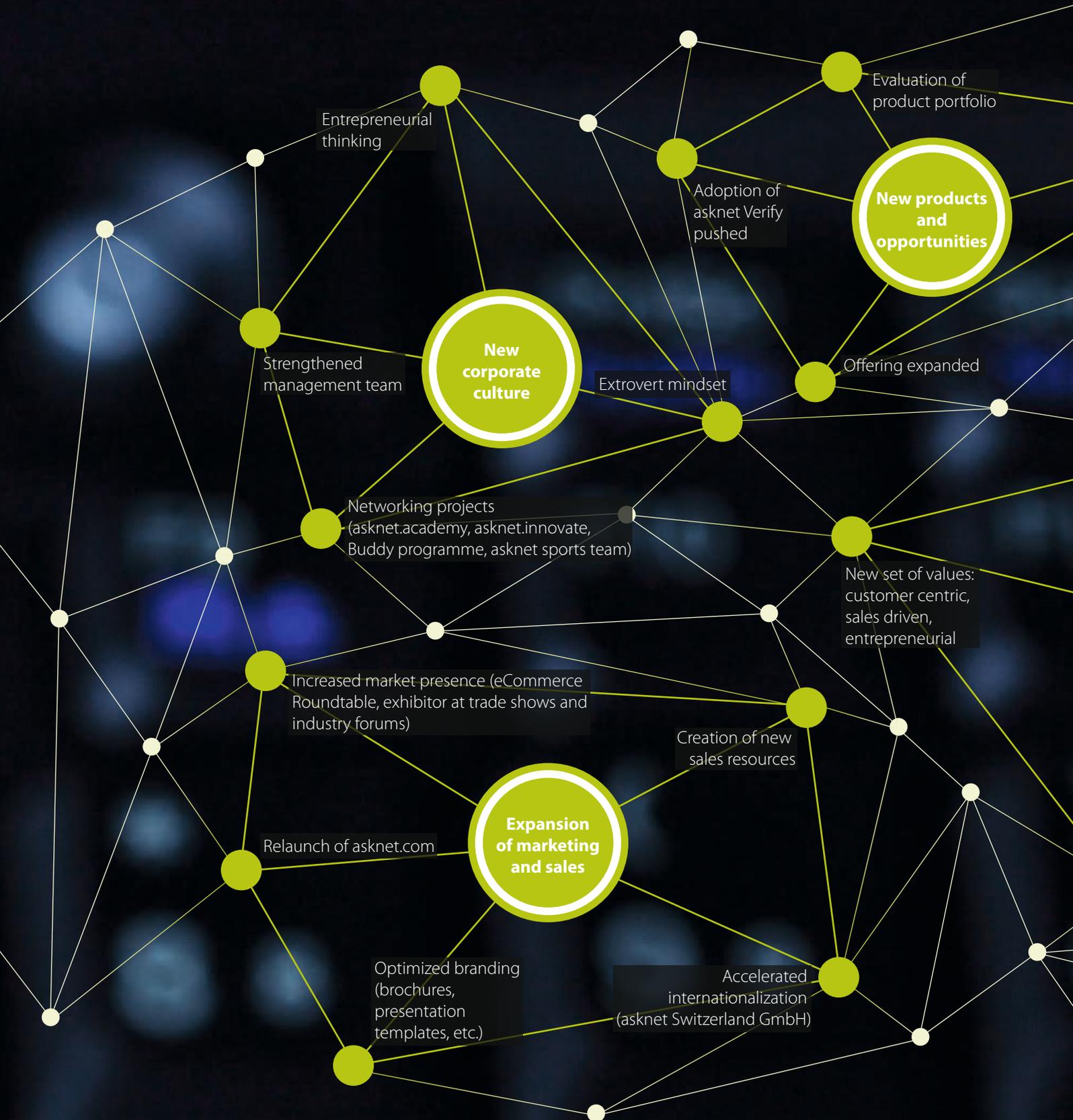
Austrian universities

Studyhouse.de, studyhouse.ch,

studyhouse.at

2015 AT A GLANCE

A YEAR OF REFOCUSING, INNOVATING AND EMBRACING CHANGE







COMBINED MANAGEMENT AND GROUP MANAGEMENT REPORT*

GENERAL INFORMATION ABOUT THE GROUP

CORPORATE STRUCTURE AND BUSINESS MODEL

asknet is an innovative provider of e-commerce solutions for the global electronic distribution of physical and digital goods. The company has over 20 years of experience in the development of global e-commerce solutions, which makes it a pioneer of e-commerce. asknet enables manufacturers across the globe to successfully distribute their products online and organizes the procurement, distribution and management of software and hardware for customers from the research and education sectors. The company is divided into three business units.

asknet's Digital Goods Business Unit develops and operates online shops for manufacturers of digital products and handles the purchasing process from product selection to payment processing to delivery of the goods to the final customer.

Products and services that are specifically tailored to the needs of this customer group such as an InApplication Cart or licensing and cloud services make asknet the ideal partner for software manufacturers and producers of digital content.

asknet's Physical Goods Business Unit offers manufacturers of physical goods its expertise all along the e-commerce value chain. The focus is on medium-sized manufacturers planning a quick start of their global e-commerce operations or wishing to internationalize their shop. asknet plans and implements integrated, international shop and shopping processes and handles the international payment and logistic process, localizations and customer service.

* In the report for the fiscal year 2015 asknet makes use of the option to publish a combined management report for asknet Group and asknet AG. The combination of the Group management report and the management report of the parent company greatly increases the comprehensibility of the report.

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44	FORECAST

asknet's Academics Business Unit offers a comprehensive range of software solutions and services relating to the procurement, distribution and management of software and hardware for customers from the research and education sectors. Via software procurement portals and master agreements, the company maintains business relations with over 80 percent of Germany's universities. In addition, asknet distributes a wide range of software solutions for students via its well-established "studyhouse.de" platform.

asknet's outsourcing solutions stand out with their unrivaled coverage, flexibility and adaptability. The company's online shops support over 30 languages and enable customers to sell their products in more than 190 countries around the world. Shops are tailored to the specific requirements of each country. asknet's global e-commerce portfolio features more than 40 different payment methods and customer service in over 10 different languages.

asknet AG (the "company"), headquartered in Karlsruhe, is the parent company of asknet Group ("asknet", the "corporation", the "Group"). As of the reporting date December 31, 2015, the company directly held all the shares in asknet Inc., San Francisco, USA, asknet K.K., Tokyo, Japan, and asknet Switzerland GmbH, Uster, Switzerland. The subsidiaries are primarily responsible for end customer service and support in their respective regions but will be more closely involved in the Group's sales activities going forward. asknet Switzerland GmbH, which was established in August 2015, now explicitly serves as a sales office for asknet's Academics Business Unit in the attractive Swiss university market.

CONTROLLING SYSTEM

Group planning and controlling are essentially based on the following key performance indicators: gross profit, gross profit margin and earnings before taxes (EBT). asknet being a reseller and distributor of digital and physical goods, sales revenues are only of limited relevance as a performance indicator of the Group, given that sales figures merely document the amounts of product sales handled via asknet. The core performance

of asknet, i.e. the handling of the purchasing, payment and delivery process of a product, is shown only at the gross profit stage. The transaction revenues, which additionally reflect the external sales handled with the help of asknet's solutions, are merely a technical quantity. asknet receives a service fee for the provision of the technical solutions. This is why, going forward, the gross profit margin will be determined based on the ratio between gross profits and the portion of sales revenues that is relevant for accounting purposes.

ECONOMIC REPORT

MACROECONOMIC AND INDUSTRY ENVIRONMENT

According to the International Monetary Fund (IMF), the global economy grew by about 3.1 percent in 2015. The industrialized countries as a whole recorded solid growth of 1.9 percent. While the US economy expanded by a disproportionate 2.5 percent, the eurozone countries grew by a moderate 1.5 percent. According to IMF estimates, the German economy also expanded by 1.5 percent in 2015.

The industries that are relevant for asknet Group include the international e-commerce markets and the global IT markets (software and IT services). As growing use is made of asknet Verify, asknet's verification solution, the company is increasingly placing a focus also on new markets such as cyber security and digital financial services. The business activities of asknet's Academics Business Unit focus on the university sector in Germany, Austria and Switzerland (German-speaking region).

The aim of asknet Group is to achieve a positive trend in gross profits and earnings before taxes (EBT) in order to increase the financial scope for ongoing technological and strategic development and improve the company's competitiveness. Reinvestments in corporate development and technology are the basis for success in the e-commerce market, which is characterized by dynamic technology cycles and fierce competition.

The global e-commerce market continued to grow dynamically in 2015. US market research firm eMarketer estimates that global B2C online trade increased by 25 percent to close to 1.7 trillion US dollars. Between them, the five most important European markets – UK, Germany, France, Spain and Italy – grew by approx. 13 percent to 233 billion US dollars. Online revenues in the relatively underdeveloped B2B segment also increased dynamically. According to Forrester Research, the US B2B online commerce segment alone expanded by 13 percent to an estimated 780 billion US dollars in 2015. The e-commerce share in total US B2B commerce climbed to 9.3 percent.

According to estimates by the European Information Technology Observatory (EITO), the global IT market grew by 3.1 percent to close to 1.2 trillion euros. Sales revenues in the IT software segment increased by as much as 6.8 percent and reached 331 billion euros by the end of the year. By contrast, IT services grew by a moderate 2.8 percent to 515 billion euros. Industry association BITKOM estimates that the German IT market expanded by 3.5 percent, which was above the worldwide average. In Germany, too, sales of IT software (+5.4 percent) increased at a higher rate than sales of IT services (+3.0 percent).

The market for information security has clearly gained importance over the past years and was worth some 75.4 billion US dollars in 2015, as stated by business intelligence company Visiongain. According to TechSci Research, North America and Europe are the most important markets. BITKOM estimates that sales of software and services for the optimization of IT security in Germany increased by 6.5 percent to 3.7 billion euros in 2015. The market for applications for access management and digital identification solutions (asknet Verify) grew by approx. 9.6 percent to 229 million euros.

The number of students in Germany has clearly picked up lately, according to the Federal Statistical Office. At close to 2.8 million, the number of students in the 2015/2016 winter term was about 10 percent higher than in the 2012/2013 winter term. At the same time, public spending on universities increased by 16 percent from 24.7 billion euros to 28.7 billion euros (plan estimate) during the period from 2012 to 2015. Student numbers in Austria and Switzerland are also rising continuously. According to the Austrian Statistical Office, the number of students in Austria increased by 3.5 percent to roughly 376,000 between the 2012/2013 winter term and the 2014/2015 winter term. The Swiss Federal Statistical Office reported an increase by 13 percent to roughly 234,000 students between 2010 and 2014.

Impact of the general market conditions on asknet Group

As a global supplier of software solutions and IT services for the online distribution of physical and digital goods, asknet benefits from the shift in retail sales to the Internet and the constant increase in mobile commerce, as these trends offer the company the opportunity to win additional manufacturers operating in the fast-growing e-commerce markets as new customers. New opportunities for growth will be created, in particular, by the ongoing internationalization of the Group through the opening of additional branches in the fastest growing markets, the launch and expansion of international partnerships, the entry into new business units and the development of innovative products.

In asknet's Digital Goods Business Unit, asknet generally has a good position based on long-standing customer relationships with large software manufacturers for the provision of software solutions and services for the distribution of digital products. However, this market segment is at an advanced stage of development, with existing suppliers caught in fierce competition for market share resulting in price wars. Opportunities in the still growing software market will result, however, from an expanded range of products and services, which would allow the company to leverage potential within the existing business relationships and access new digital customer groups. The accelerated internationalization of the distribution activities will result in upselling potential with existing customers on the one hand and open up opportunities for winning new customers on the other hand.

By adding the distribution of physical goods to its business activity, asknet has gained access to new customer groups in the dynamic e-commerce market and is now steadily expanding this target market. Significant possibilities for the further development of asknet's Physical Goods Business Unit will result primarily from the internationalization and digitalization of the SME sector, which currently still tends to leave the online distribution of its products to intermediaries.

asknet's Academics Business Unit has high market shares in the German-speaking region and benefits from the continued increase in student numbers in these countries. But the sale of software licenses generates only low margins. asknet therefore aims to use the good customer relationships also in this unit in order to place new products and services and to increase its vertical integration.

asknet generally benefits from very good market conditions for the use of the asknet Verify solution, as this is a fast-growing segment characterized by many potential uses.

BUSINESS PERFORMANCE OF ASKNET AG AND THE GROUP IN 2015

Change: Strategic repositioning and expansion of the business activity

The fiscal year 2015 was primarily influenced by the strategic decision of the Executive Board and the first management level to expand asknet's business activity and to reposition the Group. As a result, asknet underwent a fundamental change process during the reporting period; this process is aimed at revising and modernizing the Group's structures and will lay the basis for the sustainable positive development of the company.

The reorganization of the business segments was an important strategic decision in this context. Since the beginning of 2015, asknet's business activity has been divided into three business units: Digital Goods, Physical Goods (formerly collectively eDistribution) and Academics (formerly ePortals). The decision to split up the activities into these three units follows the logic of the shared set of values, which was also adopted at the beginning of 2015. This set of values is based on three guiding principles, namely customer centricity, sales orientation and entrepreneurship. The set of values supports the management and the employees in focusing on the strategic and operational objectives in their decisions and their day-to-day work along the reform process that has been initiated.

Greater customer centricity implies that the individual business units gear their business activities to the target customers and their specific requirements. The managers and employees of each business unit are now responsible for identifying new promising products and services along the e-commerce value chain of their customers and to add them to the range of products and services. The expansion of the product range is aimed at both leveraging potential with existing customers and effectively addressing new customers. Greater customer centricity also implies building up additional service and support resources in order to ensure greater interaction with the individual customers.

More intensive sales orientation comprises both an individual component and a company-wide component. On the one hand, every employee – regardless of their role within the company – will more effectively present asknet Group and its products externally and take a proactive approach to promote them. At the corporation-wide level, on the other hand, asknet will involve the international branches more closely in the sales activity and build up sales resources in all business units in order to further enhance its market presence.

To implement the third guideline, entrepreneurship, asknet has started, in 2015, to promote and encourage a culture of independence and entrepreneurial thinking both in the individual business units and for each individual employee. This gives managers and employees greater freedom in their day-to-day decisions, which entails greater responsibility for each individual. In a dynamic environment, asknet now relies on the structure of an internal network organization in which responsibilities are shared and objectives are pursued jointly while maintaining a high degree of decentralization within the existing organizational structure. The resulting team dynamics are conducive to highly focused work and maximum efficiency gains, which will aid the individual business units in responding to constantly changing market conditions more individually, quickly and flexibly.

Implementation of the change process: New customer focus for new possibilities

In the fiscal year 2015, the company was challenged to successfully put its strategic decisions into practice. This also included identifying new customer potential and options for new products. In the course of the year, asknet therefore conducted intensive internal consultations as well as analyses of its existing products, its market opportunities and its internal capabilities. In addition, the existing product portfolio was evaluated externally. The results of this analysis clearly showed on which promising segments asknet should focus more strongly and to what extent less promising products and services can be spun off to use the resulting available resources for the development of new high-quality solutions. This repositioning will pave the way for asknet as an innovative growth company, with some important initial successes already achieved in 2015.

In asknet's Academics Business Unit, for instance, the provision and distribution of software for the academic sector and, most important, software asset management and Infrastructure as a Service (IaaS) were identified as promising business segments which the company should develop or penetrate more effectively. Going forward, asknet will offer an IaaS solution for small and medium-sized universities and colleges. Such a service quickly provides all network components such as server and computer capacity as well as network capacity via the cloud. As far as software asset management is concerned, i.e. the management of the entire software selection, procurement and administration process, the company will primarily endeavor to increase the depth of its offering and to expand its customer base.

Moreover, asknet's Academics Business Unit expanded its offering for the reselling and distribution of hardware by signing up more renowned partners besides the successful existing partnership with DELL. On the basis of the Acer Synergy Silver Partnership established in mid-2015, asknet now offers customers from the higher education segment products such as desktop computers, monitors or notebooks from renowned manufacturer Acer at special terms. In cooperation with a partner, the company also added MakerBot branded 3D printers to its product portfolio in the past fiscal year. Now that the product range also includes hardware, academic institutions have the possibility to have their complete IT procurement process handled by asknet.

The asknet eCommerce solution, of which the eCart solution remains an integral element, will remain the core product of asknet's Digital Goods and Physical Goods Business Units. Based on the analyses carried out, however, asknet will undergo a strategic realignment in this area. Going forward, asknet will open its solution to third-party systems, rely on support from partners where individual services such as online marketing are concerned and focus its own offering more strongly on its core competencies. asknet's essential USPs include the possibility for vendors to quickly and efficiently outsource their partial or complete e-commerce activities to asknet. The company can take over the complete technical and commercial handling including reselling activities and act as the merchant of record with respect to compliance with export, tax and foreign currency regulations. In addition, the company carried out a target customer analysis. Going forward, asknet will focus on medium-sized manufacturers of physical or digital goods with an international orientation planning a quick and uncomplicated start of their e-commerce operations.

asknet Verify was identified as a particularly promising stand-alone product in 2015. This solution originates in asknet's Academics Business Unit and permits an automated verification of personalized data such as the student status. On the one hand, the company intends to offer asknet Verify in other important markets outside the German-speaking region. On the other hand, analyses have identified huge potential also outside the standard verification. In 2015, asknet's Digital Goods Business Unit was able to sign up two renowned new customers for this verification solution, namely Kaspersky Lab and VERBI GmbH. 2016 will see asknet significantly step up its marketing and sales efforts for asknet Verify.

Increased market presence and intensified distribution activity

To work towards asknet's targets and objectives, the company also endeavored, in 2015, to increase its presence vis-à-vis its stakeholders and to convince them of the benefit of the new positioning and new products.

In March 2015, for instance, asknet's new Physical Goods Business Unit, together with the asknet's Digital Goods Business Unit, for the first time exhibited at its own booth at the Internet World fair, where the business unit established contacts with manufacturers of physical goods and greatly increased its visibility in the market. Designed as a pure-play B2B event, Internet World addresses all companies wishing to sell their products via the Internet. In addition, the event highlights the latest trends and developments of the year, e.g. in the field of online marketing and e-payment. In autumn 2015, the new business unit co-organized an eCommerce Round Table. Moreover, asknet's Physical Goods Business Unit built up additional sales resources in the North American market during the reporting period.

Apart from attending trade fairs and industry events, asknet's Digital Goods Business Unit primarily focused on intensifying its cooperation with existing customers and stepped up its marketing activities for its stand-alone product asknet Verify.

asknet's Academics Business Unit presented its new face to its target group at the ZKI spring/autumn conferences in March and September. The ZKI (Zentren für Kommunikation und Informationsverarbeitung in Lehre und Forschung e.V. – centers for communication and information processing in education and research) supports the processing of information in education and research at universities and government-sponsored major science and research promotion institutions. The internationalization of asknet's Academics Business Unit was also pushed ahead with the opening of a new sales office in Switzerland. Established in the second half of 2015, asknet Switzerland GmbH is explicitly assigned to this business unit and facilitates a closer and more customer-oriented approach to the attractive Swiss university market. The aim is a significant increase in market share through closer customer relationships in this region. In the coming years, asknet's Academics Business Unit also aims to develop markets in which it currently has no presence.

At the DVFA Spring Conference in May, asknet presented its new strategy to a broad audience of investors. DVFA e.V. is the largest organization of financial analysts; as a professional association, it develops standards for effective financial communications, among other things. In addition, the company held talks with investors in Munich and Dusseldorf.

Network organization and management

To support the network idea, the asknet.academy has offered further training courses for employees by employees since early 2015. The new idea management system, asknet.innovate, has already achieved some initial successes regarding the company's marketing activities. These also include the restructured website of asknet, which went live in March. The new structure, the up-to-date presentation of content and the user-friendly design have resulted in a more effective approach to the individual customer groups.

Finally, two e-commerce experts have joined asknet's management team in 2015. Franz Schlickum was appointed as Vice President of asknet's Digital Goods Business Unit in mid-2015. The expert for digital business concepts is responsible for expanding his business unit and developing new digital products and services within the company. In 2016, he will primarily focus on the distribution of the asknet Verify stand-alone product. Noel Kienzle assumed responsibility for the Professional Services team in June 2015. The expansion of the management team not least serves to promote entrepreneurship and customer centricity with a view to leveraging the potential in the respective target markets.

SALES REVENUES AND EARNINGS

asknet Group recorded a positive business trend in 2015 and was able to meet or exceed the projections published in the 2014 Annual Report, i.e. nearly constant gross profits, moderate increase in the gross profit margin (gross profits as a percentage of transaction revenues) as well as balanced earnings before taxes (EBT). This was primarily due to the fact that earnings improved notably, while sales revenues and transaction revenues declined, and gross profits almost reached the prior year level as expected. As a result, the gross profit margin increased notably. This means that the projected target of a moderate increase was exceeded. Earnings before taxes (EBT) were slightly positive.

The following paragraph provides a detailed description of the Group's and asknet AG's sales and earnings performance.

In the fiscal year 2015, the three business units of the asknet Group handled over one million individual transactions and generated transaction revenues of 83.20 million euros, down 18 percent on the previous year. Sales revenues also declined by 18 percent to 73.32 million euros (previous year: 89.38 million euros). The anticipated reduction in transaction and sales revenues is essentially attributable to the fact that asknet's Digital Goods Business Unit focused on more profitable individual projects. The effect was partially offset by favourable sales to existing customers in 2015. The cost of purchased merchandise dropped by 20 percent from 78.74 million euros to 62.93 million euros in line with the decline in sales revenues. In this context, it should be noted, however, that transaction and sales revenues as well as the cost of materials are only of limited relevance for asknet as a reseller and distributor of digital and physical goods, as asknet's core performance is shown only at the gross profit stage. This is why gross profit, gross profit margin and earnings before taxes (EBT) are the key performance indicators used for Group planning and controlling.

In 2015, asknet Group generated gross profits of 10.39 million euros, which was more or less on a par with the previous year's 10.64 million euros. Taking into account the decline in transactions and revenues, this reflects much higher profitability, which is reflected in the strong increase in gross profits as a percentage of sales revenues from 11.9 percent in 2014 to 14.2 percent in the reporting period. Gross profits as a percentage of transaction revenues also picked up sharply from 10.5 percent to 12.5 percent. The increase is the direct result of the stronger focus placed on more profitable customer transactions. The half-year analysis makes the improved profitability even more obvious. In contrast to the trend of the previous years, when the bulk of the sales revenues were generated in the second half of the year, sales revenues in 2015 declined from 37.0 million euros in the first six months to 36.3 million in the second half of the year, whereas 2015 gross profits rose from 4.8 million euros in the first six months to 5.6 million euros in the second half of the year. This is the best six-month performance in five years.

Gross profits, semi-annual

in € million



In spite of the strategic change process currently being implemented across the company, personnel expenses were reduced by 4.2 percent to 5.19 million euros in 2015 (previous year: 5.41 million euros). This was achieved by forward-looking personnel planning and the increased entrepreneurial responsibility granted to the company's employees. The number of employees in the Group including the Executive Board and excluding trainees/apprentices and temporary workers rose moderately to 99 at the end of 2015 (December 31, 2014: 97). Personnel expenses as a percentage of gross profits declined from 50.9 percent to 49.9 percent.

At 5.21 million euros, other operating expenses were more or less on a par with the previous year (5.18 million euros). Other operating income rose moderately from 0.61 million euros to 0.68 million euros thanks to positive currency translation effects.

asknet Group's earnings before interest and taxes (EBIT) amounted to 0.09 million euros in 2015 (previous year: 0.11 million euros). Earnings before taxes (EBT) for the full year also amounted to 0.09 million euros. The Group's earnings after interest and taxes stood at 0.08 million euros (previous year: 0.10 million euros). This means that the company generated a moderate net profit for the fourth consecutive fiscal year in spite of the current intensive change process.

asknet's international orientation is reflected in the high percentage of transaction and sales revenues generated outside Germany. In the past fiscal year, the Group generated 62.9 percent of its transaction revenues abroad (previous year: 65.4 percent). 58.9 percent of the Group's sales revenues were generated outside Germany (previous year: 52.9 percent). Germany accounted for 41.1 percent of the Group's revenues, followed by other European markets (22.6 percent) and the USA (19.9 percent). The Asian market contributed 9.2 percent to the Group's sales revenues.

Breakdown of transaction revenues

in %



Sales revenues of asknet AG as an individual entity declined in sync with the Group's sales revenues by approx. 18 percent to 73.32 million euros, compared to 89.38 million euros in 2014. Transaction revenues decreased from 101.80 million euros in the previous year to 83.20 million euros in 2015. The cost of purchased merchandise dropped from 78.74 million euros to 62.93 million euros in the fiscal year 2015. The decline by about 20 percent is more or less equivalent to the decline in sales revenues in the full year 2015.

Gross profits of asknet AG amounted to 10.39 million euros, which was in line with the Group's gross profits and more or less on a par with the previous year (10.64 million euros). asknet AG's gross profits as a percentage of transaction revenues stood at 12.5 percent (2014: 10.5 percent), while gross profits as a percentage of sales revenues reached 14.2 percent (previous year: 11.9 percent).

Personnel expenses declined moderately from 5.19 million euros in the previous year to 4.92 million euros in the fiscal year 2015.

asknet AG's other operating expenses totaled 5.51 million euros in the past fiscal year, compared to 5.43 million euros in 2014. This is essentially attributable to increased expenses from currency translation.

At 0.68 million euros, other operating income was up by 0.07 million euros on the previous year. This is mainly due to increased income from currency translation.

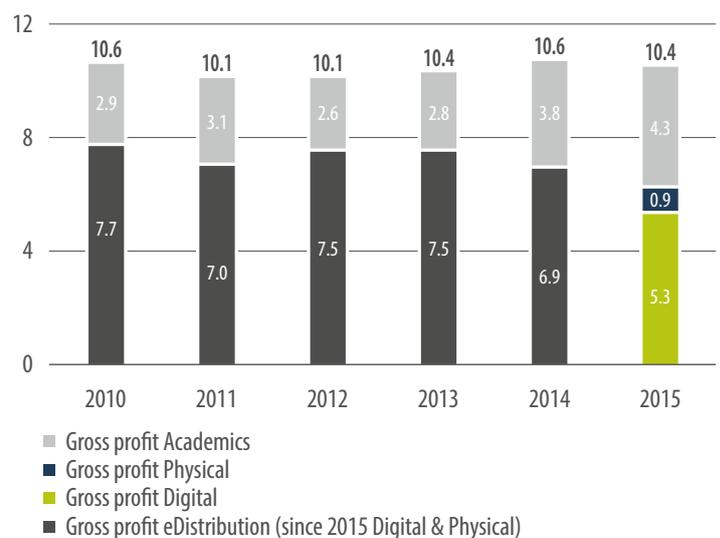
asknet AG's earnings before interest and taxes (EBIT) totaled 0.07 million euros in the fiscal year 2015. Earnings before taxes (EBT) also amounted to 0.07 million euros. This brought net income after interest and taxes to 0.06 million euros, meaning that the company again broke even on a full year basis (previous year: 0.08 million euros). Accumulated net losses recognized in the accounts under German commercial law declined from 1.23 million euros in the previous year to 1.16 million euros.

PERFORMANCE OF THE BUSINESS UNITS

As a result of its expansion, asknet has operated three instead of only two business units since January 1, 2015, namely Digital Goods, Physical Goods (formerly collectively eDistribution) and Academics (formerly ePortals). The key revenue and earnings performance indicators are therefore broken down into three business units.

Gross profits by business units

in € million



On balance, the performance of asknet's business units in the reporting period was in line with the company's expectations.

The Group's Academics Business Unit showed a clearly positive trend. While sales revenues declined by 28 percent from 36.89 million euros to 26.38 million euros, profitability increased notably. Accordingly, gross profits climbed from 3.76 million euros by approx. 13 percent to 4.27 million euros in 2015. The increase was essentially attributable to more profitable individual transactions in Germany and Switzerland. The opposite trend in revenues and earnings clearly reflects the improved margins in keeping with the company's strategic repositioning.

asknet's Digital Goods Business Unit has operated in a difficult market environment for many years. The decision to realign the business activity in this unit also entailed the deliberate spin-off of unprofitable individual projects in the course of 2014. This spin-off had the anticipated dampening effect on sales revenues in the fiscal year 2015. Moreover, many customers in this segment increasingly rely on a multi-provider strategy – where products and services are sourced from two or several e-commerce providers, often for different regions – or on proprietary systems developed for their own purposes. The business unit's sales revenues for the reporting period totaled 42.86 million euros. Gross profits amounted to 5.27 million euros. Going forward, asknet will increasingly rely on USPs and stand-alone products and open its own platforms to third-party solutions. In 2015, asknet's Digital Goods Business Unit already won two renowned new customers, Kaspersky Lab and VERBI GmbH, for its stand-alone product asknet Verify.

In asknet's new Physical Goods segment, there are only few competitors who offer integrated international solutions such as those provided by asknet. In 2015, asknet made selective investments in sales and marketing to enhance its visibility in the market and now has a good new customer pipeline. The company already won several new customers in the reporting

period; this also includes support provided to an existing customer from asknet's Digital Goods segment in the market launch of physical goods. Moreover, asknet was able to contribute insights from 20 years of e-commerce experience in a consulting project for a client from the "old economy". Sales revenues in the reporting period totaled 4.1 million euros, while gross profits amounted to 0.90 million euros.

The combined revenues of asknet's Digital Goods and Physical Goods Business Units (formerly eDistribution) were down by 11 percent on the previous year to 46.95 million euros. Gross profits also decreased by 11 percent to 6.13 million euros. The decline had been projected in the company's budget plans and is the necessary consequence of the stronger concentration on profitable growth, as low-margin business impedes the strategic repositioning and resources must be released for new business.

NET ASSETS AND FINANCIAL POSITION

As of December 31, 2015, asknet Group's total assets amounted to 12.16 million euros, down from 17.72 million on the prior year reporting date. This decline should be regarded as a return to normal, as the previous year's total assets had temporarily reached a higher level due to an increased business volume in the fourth quarter of 2014 in conjunction with trading transactions that had not yet been fully completed. This normalization is also reflected in the fact that liabilities and receivables, which had risen sharply as of the prior year reporting date, declined again.

On balance, trade receivables dropped sharply from 7.56 million euros on December 31, 2014 to 3.58 million euros on December 31, 2015. On the liabilities side, trade payables declined from 7.29 million euros to 3.57 million euros. The reduction in the previous year's very high payables is the main reason why operating cash flow declined from 3.68 million euros on December 31, 2014 to –2.18 million euros on the reporting date.

Moreover, the Group was able to reduce its inventories by approx. 170 thousand euros to 819 thousand euros as of the balance sheet date. Cash and cash equivalents amounted to 5.33 million euros as of December 31, 2015, compared to 7.47 million euros on December 31, 2014 and 2.72 million euros on June 30, 2015. These fluctuations are in line with the seasonal trend of the previous years, which is usually characterized by increased cash and cash equivalents at the end of a year. Fixed assets rose slightly from 1.37 million euros in the previous year to 1.39 million euros. Equity increased by approx. 0.2 million euros or 5.3 percent to 4.13 million euros as of the balance sheet date. On the one hand, this increase was attributable to internal effects. On the other hand, the exercise of subscription rights from warrant bonds by Tobias Kaulfuss, CEO of asknet AG, increased the subscribed capital by 50 thousand euros to 5,094,283.00 euros.

As a result of the above developments, the equity ratio rose sharply to 33.9 percent (previous year: 22.1 percent). The good equity capitalization is a secure basis for asknet's further reform process. The financing of the Group is managed by asknet AG, which provides the Group companies with sufficient liquid funds. Besides internal funding from the cash flow generated, the company has sufficient credit lines. Only very little use was made of these lines during the fiscal year and asknet had sufficient cash available throughout the period.

Total assets of asknet AG declined to 12.05 million euros as of December 31, 2015, down from 17.65 million euros in the previous year. The decline is essentially attributable to the reduction in trade payables and trade receivables, which had reached a very high level as of the end of 2014. Total liabilities dropped from 10.21 million euros on the prior year reporting date to 4.64 million euros on December 31, 2015. asknet AG's equity capital rose from 3.82 million euros to 3.98 million euros, which is equivalent to an equity ratio of 33.0 percent. Cash and cash equivalents of asknet AG amounted to 4.25 million euros as of December 31, 2015, compared to 6.74 million euros at the end of 2014. asknet AG's intangible assets remained

unchanged at 1.06 million euros. The company's liabilities declined by 5.57 million euros to 4.64 million euros, of which approx. 77 percent related to trade payables. asknet AG had no financial liabilities as of the balance sheet date. The company's operating cash flow amounted to -2.59 million euros.

CORPORATE BODIES

With effect from February 28, 2015 Executive Board member Michael Konrad left the Board. Executive Board member Ute Imhof left the company at her own request with effect from December 31, 2015. With a view to giving the first management level greater entrepreneurial responsibility, the position of COO will not be filled for the time being.

Consequently, Tobias Kaulfuss, Chief Executive Officer (CEO) of asknet AG since November 2014, has been the sole member of the Executive Board of asknet AG since January 1, 2016.

There were no changes on the company's Supervisory Board in the reporting period.

EMPLOYEES

As of December 31, 2015, asknet Group employed 99 people including the Executive Board; 92 of them worked for asknet AG, while 7 worked for the subsidiaries, asknet Switzerland GmbH, asknet Inc., USA, and asknet K.K., Japan. Including all trainees/apprentices, asknet Group employed a total of 110 people as of the end of the year.

All employees share responsibility for the company's success. For this purpose, the Group has installed an innovation management system (asknet.innovate), which supplies comprehensive input on the optimization of organizational processes as well as new business ideas. In addition, all employees have the opportunity to participate in an internal further training series (asknet.academy) on a monthly basis.

POST BALANCE SHEET EVENTS

There were no events of material importance after the balance sheet date that had a material effect on the net assets, financial position, and operating results of asknet AG and the Group.

OPPORTUNITY AND RISK REPORT

OPPORTUNITIES

The implementation of the new strategy that has been initiated and the optimization of the corporate structure will allow asknet to identify significant potential that should be leveraged going forward. New growth opportunities will be opened up, in particular, by the ongoing internationalization of the Group through the opening of additional branches, the creation and expansion of global partnerships, the expansion of the business activity to new fields and the development of innovative products, which will pave the way for asknet to become a globally operating and innovative growth company in the international e-commerce sector.

asknet's Academics Business Unit currently partners with about 80 percent of Germany's universities and research institutions. Intensive customer care aimed at maintaining the market leadership plays a very important role in this market and will be intensified through the expansion of existing business relationships. Growth opportunities also arise from offering additional products and services. Thanks to its deep understanding of the academic market and its excellent competitive position, asknet benefits from ideal preconditions for identifying and leveraging new potential in this market. The greatest upselling potential exists in the field of software asset management, where academic institutions can outsource the complete process of selecting, procuring and managing software to asknet. Considerable opportunities also arise from

the provision of an IaaS solution. Such a service quickly and flexibly provides all network components such as server and computer capacity as well as network capacity via the cloud. asknet plans to establish itself as one of the first fully integrated providers of cloud capacity in the academic sector in the medium term. Additional growth opportunities for asknet's Academics Business Unit will result from increasing international market penetration. In this context, the foundation of the Swiss sales office represents an important step, as it will allow the company to swiftly increase its market share in the attractive Swiss university sector.

Opportunities will also arise from the expansion of existing products to other business units, new customer groups or applications. In 2015, for instance, the company started to market its asknet Verify solution on a company-wide basis, i.e. across its business units. This solution for online authentication and verification has so far been used only in asknet's Academics segment but may also be used in other areas such as the traditional online mail order sector. Regardless of the platform used, the solution ensures a smooth verification process and has therefore been marketed as a stand-alone product since 2015. In the medium term, asknet Verify has considerable business potential both internationally and across many different sectors. Low competition and the growing awareness of digital security offer a good growth outlook.

The growing software market generally represents a good basis for asknet's Digital Goods Business Unit. But the market for comprehensive e-commerce solutions for the sale and distribution of software is characterized by strong competition. Opportunities primarily arise from the expansion and ongoing improvement of the product and service portfolio. Given that technical USPs are very expensive to develop and often do not last long, asknet is challenged to focus on promising core products along its existing e-commerce competencies and to complement them with third-party systems and partner services where this makes sense. Going forward, asknet will act as a smart adopter who identifies the product-relevant features and services for its customers and integrates them into their online shops. The stronger concentration will lead to greater professionalism and higher margins and give the company the freedom to successively add higher-quality products to its own range of products and services.

asknet's Physical Goods Business Unit was built up consistently in 2015 and offers excellent opportunities for optimization and further development. In particular, the size and the strong growth of the e-commerce market entail significant potential. To leverage the opportunities in this market, it will be critical for asknet to position itself as a relevant market player. In 2015, the company already achieved a good positioning in Germany, not least by establishing the eCommerce Round Table. Moreover, the company built up additional sales resources in the North American market and generally intensified its presence at trade fairs and industry events. This has already resulted in a promising new customer pipeline. Communicating the USPs of asknet is another important element. This includes a reselling model which allows vendors to outsource their complete online sales activities with asknet handling the purchasing process, customer support and delivery; add to this the possibility to quickly and easily internationalize a shop with asknet acting as the merchant of record. Alternatively there is the possibility to use asknet only as the shop checkout, i.e. to design the front-end internally, if desired.

RISKS

Like every e-commerce solutions provider, asknet is exposed to several factors that cannot be directly influenced by the company, for example the functionality of the customers' products as well as global economic developments. Producers of software must generally continue to rely on online distribution channels and, accordingly, generate demand for the operation of online shops. Furthermore, these software publishers must be willing to outsource the operation of their shops to external service providers such as asknet.

To reduce its dependence on individual customers, asknet aims to constantly expand its customer base by means of new customer groups, new product areas and successful customer canvassing. In 2015, the contribution of the top ten customers to asknet's gross profits continued to decline at a high level, namely from close to 60 percent in the previous year to 56 percent. asknet has always maintained very close, long-term customer relationships. If, however, one or more key customers decided to terminate or fail to renew their contract with asknet, this would have a negative impact on the company's net assets, financial position, and operating results. When it comes to smaller competitors, asknet faces lower risks. With its portfolio of products and services, asknet has set itself apart from its smaller competitors, especially in terms of coverage of international markets and its flexibility in customizing its online shops.

Another adverse effect on asknet's net assets, financial position, and operating results could arise if the expansion into other markets or new business segments turned out to be unprofitable in the long term. This is always the case when the costs associated with expansion (for localization, marketing, sales, etc.) are not more than offset by sufficient future profit growth.

In order for the scalability of asknet's business model to develop its full potential, the company continues to depend on increases in gross profits that are independent of one-off effects or seasonal fluctuations. Whether or not a sustainable increase in gross profits is possible will depend in part on circumstances beyond asknet's control, for example overall economic developments, general consumer behavior, vendor product strategy, and the success of producers' marketing strategies as well as their products' market maturity and the resulting competitive pressure. The e-commerce sector in which asknet is active is also undergoing constant development and change. This allows for example the launch of new technologies or protocols as well as new general conditions that fundamentally influence the e-commerce market and the way products are sold online. Such developments and changes can at times be difficult to predict, meaning that possible risk, uncertainties, financial expenses, delays and obstacles relating to activities in a rapidly changing sector must be taken into account when determining the company's prospects of success. The markets addressed by asknet are generally characterized by intense competition. If the company fails to adapt to these developments and changes, this could have a negative impact on asknet's net assets, financial position, and operating results.

With cash and cash equivalents totaling 5.3 million euros and the equity ratio up to approx. 34 percent, no financial bottlenecks are expected for 2016.

The reporting and Group currency is the euro. However, some business is transacted in other currencies. For this reason, periodic fluctuations in individual currencies can affect the revenues and profits of asknet. Potential exchange rate risks related to balance sheet items and anticipated cash flows are continuously monitored by the company and hedged using low-risk foreign exchange instruments where required.

Highly qualified professionals employed by the corporation are part of the basis for asknet's financial health. Employees' strong identification with the company and their long years of service ensure that they are highly motivated and productive. The personal skills and knowledge of asknet's employees are a deciding factor for the success of asknet Group. Staff turnover carries the risk of losing these competencies and therefore losing ground to competitors. By selectively hiring experienced external people at the first management level, the company is able to incorporate new innovative contents and methods.

The licensing situation for rented software may change because of manufacturers' new licensing patterns, which cannot be predicted by asknet. In such a case, asknet aims to respond to changing prices by adjusting its systems and/or using different software.

Any impaired functionality of asknet's operating systems caused by technical breakdown or the discontinuation of outsourced IT services at short notice as well as unauthorized data access or the infection or manipulation of systems could damage asknet's image and financial position, which in turn could have a negative impact on asknet's net assets, financial position, and operating results. Wherever this makes sense, asknet takes specific measures to mitigate these risks.

On July 19, 2011, the Karlsruhe tax authority issued a notification of interest charges in the amount of 763 thousand euros based on the denial of input tax claimed in conjunction with formal errors in settling accounts with software publishers.

In accordance with a judgment of the European Court, asknet AG applied for a suspension of execution, which the tax authority in question approved in a letter dated July 27, 2011. Tax authorities usually only approve a suspension of execution when there are serious doubts about the lawfulness of a notice.

In order to have this matter decided by court, the tax authority rejected the company's complaint on October 27, 2014 in accordance with prior notice and the company filed a timely suit against the notification in December 2014. The suspension of execution essentially remained in force. asknet's Executive Board considers it unlikely that these charges will actually need to be paid and therefore chose not to recognize the expense in the 2015 annual financial statements as in the previous years. This estimate is also based on an assessment by tax consultants Ernst & Young GmbH as well as an otherwise pending proceeding before the European Court of Justice. Notwithstanding this, there is a risk that the company will have to bear the cost after all once it exhausts all legal efforts.

With a view to their probability of occurrence, asknet believes that the risks described above – separately and collectively – do not jeopardize the company's ability to continue as a going concern. Management expects to be able to successfully cope with the challenges arising from the above risks also in 2016.

Besides those mentioned here, no material risks occurred or became known prior to the publication of this management report.

INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

In order to monitor such risks on an ongoing basis, asknet AG has developed its own control system, which asknet continually adapts and improves. The company's goal is to utilize the collected financial and performance indicators to prevent potential risks from occurring and to accelerate asknet's strategic development. In addition, asknet remains in constant dialog with the most important credit card companies and payment providers so asknet can react quickly to changes in parameters and offer a technical infrastructure for online payments with maximum security. In achieving the PCI (payment card industry) Level 1 certification, asknet has taken an important step to reducing potential risks in this area.

FORECAST

ANTICIPATED MACROECONOMIC AND SECTOR-RELATED DEVELOPMENTS

The IMF expects the world economy to grow by 3.4 percent in 2016. Stable growth of 2.1 percent is projected for the industrialized countries. The US economy will grow by 2.6 percent, according to the IMF. A growth rate of 1.7 percent is projected for the eurozone as a whole and for Germany.

The e-commerce market will continue to grow dynamically in 2016. eMarketer expects B2C online commerce to grow by about 23 percent in 2016 and by an annual average of 21 percent by 2019, with its share of total retail trade expected to climb from 7 percent to 13 percent. Global B2B e-commerce will also continue to grow strongly and reach the 12 trillion US dollar mark by 2020 based on an annual growth rate of 8.1 percent anticipated by the market researchers from Frost & Sullivan. The German Retail Association (HDE) projects Germany's online commerce to grow by 11.0 percent to 46.3 billion euros in 2016 (2015: 41.7 billion euros). According to the HDE, the share of online commerce in total German retail trade could climb from approx. 9 percent in 2015 to 20 percent in 2020.

The IT sector is poised to grow also in 2016. Market research and consulting firm IDC projects a global growth rate of 3.6 percent for this year. While IT services will expand by approx. 3.5 percent, the markets for package and application software are expected to grow by an average 7.0 percent. Industry association BITKOM expects sales revenues in Germany's software, IT hardware and IT services segments to increase by a total of 3.1 percent to 82.9 billion euros.

The market research specialists from Markets and Markets project an annual growth rate of approx. 10 percent for the global IT security market, which would thus reach roughly 170 billion US dollars by 2020. For the European cyber security market, the second largest market behind North America, MicroMarketMonitor projects annual growth of 7.2 percent to roughly 35 billion US dollars by 2019. The German market for IT security will expand by 7.7 percent per year and reach 3.71 billion US dollars by the year 2019.

The outlook for the German university market remains positive for the time being. The German Ministers of Education and Cultural Affairs expect the number of first-time students in Germany to amount to 500,000 per year until 2019. The Austrian Statistical Office also assumes that the number of students in Austria will increase until 2018/19. Its Swiss counterpart expects the number of students to grow by 1.5 percent p.a. by 2016/17.

COMPANY FORECAST

2015 saw asknet's management initiate a fundamental change process, which has laid the basis for the sustainable positive development of the company. In the course of 2015, the company has moved forward with the progressive implementation of the strategic decisions. 2016 will see the company focus on continuing the change process. For the first half of 2016 alone, management has initiated more than a dozen measures that will push ahead asknet's transformation into an innovative growth company.

asknet intends to continue optimizing its internal processes and workflows, to analyze their efficiency and their strategic contributions to the company's development and, consequently, to increase the company's efficiency and profitability. To this end, the customer service and fulfillment processes will be optimized. Moreover, payment costs and currency expenses are to be reduced with the help of selective process optimization and the integration of third-party solutions. The company also aims to increase its customer margins. As a general rule, each customer relationship should make a positive profit contribution. The foreign branch will also be involved more strongly in the distribution activities and should help to identify and leverage local market potential.

2016 will again see the company place a focus on the development of additional products and services offering potential for the future. Moreover, clearly defined product responsibilities will be introduced for promising products that have already been identified. The focus will be on expanding the sale and marketing of the asknet Verify solution, from which considerable new customer potential is expected already for 2016.

In 2016, the company will optimize the new basis laid in the past fiscal year in order to continue the necessary change process. asknet is well on track to developing additional potential and customer segments with new pioneering spirit, new products and a new orientation. This will gradually also be reflected in improved profitability. For the fiscal year 2016, the Executive Board of asknet AG expects the Group's and company's gross profit margin, gross profits and earnings before taxes (EBT) to increase moderately compared to the previous year. In the medium term, the company aims for earnings before taxes to amount to about 10 percent of gross profits. The stronger profit orientation serves to increase the financial scope for investments in the technological and strategic development and the competitiveness of the company but also for acquisitions.

asknet AG offers its stakeholders a high degree of transparency. Above and beyond the reporting duties of the Entry Standard segment of Deutsche Börse (publication of annual and half-year reports), the company will also publish interim reports on the first three months and the first nine months as well as directors' dealings notifications in 2016. As the new Market Abuse Regulation comes into force on July 3, 2016, OTC issuers such as asknet AG will also be obliged to publish ad-hoc announcements and to maintain insider lists, which will further increase the transparency and safety for investors.

The Executive Board of asknet AG would like to thank all customers, business partners and investors for their confidence and all employees for their full effort and commitment in 2015.

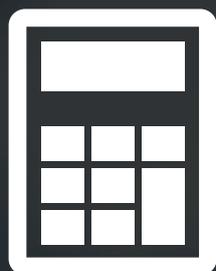
Karlsruhe, March 10, 2016

asknet AG

– The Executive Board –



Tobias Kaulfuss (CEO)



ASKNET AG, KARLSRUHE

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET

as of December 31

in €

	2015	2014
ASSETS		
A. Fixed Assets		
I. Intangible fixed assets		
Concessions, industrial and similar rights and assets, and licenses in such rights and assets	1,057,072.51	1,060,253.51
II. Tangible fixed assets		
Other equipment, operating and office equipment	334,855.57	309,450.49
	1,391,928.08	1,369,704.00
B. Current assets		
I. Inventories		
Merchandise	818,630.61	988,031.40
II. Receivables and other assets		
1. Trade receivables	3,576,888.88	7,561,044.04
2. Other assets	618,989.62	183,153.47
III. Cash-in-hand, bank balances, cheques	5,332,402.97	7,467,158.59
	10,346,912.08	16,199,387.50
C. Prepaid expenses	419,614.63	151,353.18
	12,158,454.79	17,720,444.68

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	2015	2014
EQUITY AND LIABILITIES		
A. Equity		
I. Subscribed capital	5,094,283.00	5,044,283.00
II. Capital reserve	50,000.00	0.00
III. Currency translation differences	77,250.13	49,838.31
IV. Consolidated net accumulated losses	-1,095,132.58	-1,176,430.02
	4,126,400.55	3,917,691.29
B. Provisions		
Other provisions	2,823,221.00	3,171,119.98
C. Liabilities		
1. Trade payables	3,568,436.60	7,289,280.99
2. Other liabilities of which taxes € 898,259.17 (previous year € 2,705,734.58) of which relating to social security and similar obligations € 6,573.21 (previous year: € 7,128.04)	1,013,782.84	2,884,105.34
	4,582,219.44	10,173,386.33
D. Deferred Income	626,613.80	458,247.08
	12,158,454.79	17,720,444.68

CONSOLIDATED INCOME STATEMENT

January 1 until December 31

in €

	2015	2014
1. Sales revenues	73,323,195.01	89,378,112.31
2. Other operating income	675,292.48	609,430.44
	73,998,487.49	89,987,542.75
3. Cost of materials		
a) Cost of purchased merchandise	-62,930,125.55	-78,739,338.99
b) Cost of purchased services	-439,460.02	-408,859.07
4. Personnel expenses		
a) Wages and salaries	-4,454,984.40	-4,668,786.78
b) Social security, post-employment and other employee benefit costs of which in respect of old age pensions € 1,903.00 (previous year: € 3,453.30)	-730,052.67	-745,894.67
5. Amortization and write-downs of intangible fixed assets and depreciation and write-downs of tangible fixed assets	-134,338.54	-126,605.86
6. Other operating expenses	-5,214,687.53	-5,184,407.29
	-73,903,648.71	-89,873,892.66
7. Interest and similar income	520.66	2,579.11
8. Interest and similar expenses	-3,833.32	-2,755.61
	-3,312.66	-176.50
9. Result from ordinary activities	91,526.12	113,473.59
10. Other taxes	-10,228.68	-9,390.00
11. Consolidated net income for the year	81,297.44	104,083.59
12. Accumulated losses brought forward	-1,176,430.02	-1,280,513.61
13. Withdrawals from the capital reserve	0.00	0.00
14. Consolidated net accumulated losses	-1,095,132.58	-1,176,430.02

CONSOLIDATED CASH FLOW STATEMENT

January 1 until December 31

in € thousand

	2015	2014
1. Cash flows from operating activities		
Consolidated net profit for the year before interest	81	104
Interest paid	3	0
Consolidated net profit for the year	84	104
Depreciation, amortization and write-downs	134	127
Profit on the disposal of depreciation and amortization charges on noncurrent asset	0	0
Loss on the disposal of depreciation and amortization charges on noncurrent asset	0	0
Increase (+)/decrease (-) in provisions	-349	193
Increase (-)/decrease (+) in receivables and other assets	3,458	-1,052
Losses on the disposal of depreciation and amortization charges on noncurrent asset	-5,508	4,309
Exchange-related change in inventories	0	0
Cash flows from ongoing operating activities	-2,181	3,681
2. Cash flows from investing activities		
Purchase of intangible fixed assets	0	-1,049
Purchase of tangible fixed assets	-157	-103
Proceeds from disposals of financial assets	0	0
Interest received	1	3
Cash flows from investing activities	-156	-1,149
3. Cash flows from financing activities		
Proceeds from capital increase	100	0
Interest paid	-4	-3
Cash flows from financing activities	96	-3
4. Cash funds at end of period		
Net change in cash funds (subtotal 1-3)	-2,241	2,529
Effect on cash funds of foreign exchange rate movements	106	42
Cash funds at beginning of period	7,467	4,896
Cash funds at end of period	5,332	7,467
5. Components of cash funds		
Cash	5,332	7,467
Cash funds at end of period	5,332	7,467

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Fiscal year 2015

in €

	Subscribed capital (Ordinary shares)	Capital reserve	Net accumulated losses	Currency translation differences	Group equity
Jan 1, 2014	5,044,283.00		-1,280,513.61	36,818.69	3,800,588.08
Consolidated net profit for the year	0.00		104,083.59	0.00	104,083.59
Other comprehensive income	0.00		0.00	13,019.62	13,019.62
Comprehensive income	0.00		104,083.59	13,019.62	117,103.21
Dec 31, 2014	5,044,283.00		-1,176,430.02	49,838.31	3,917,691.29
Jan 1, 2015	5,044,283.00		-1,176,430.02	49,838.31	3,917,691.29
Issues of shares	50,000.00	50,000.00			100,000.00
Consolidated net profit for the year			81,297.44	0.00	81,297.44
Other comprehensive income			0.00	27,411.82	27,411.82
Comprehensive income	0	0	81,297.44	27,411.82	108,709.26
Dec 31, 2015	5,094,283.00	50,000.00	-1,095,132.58	77,250.13	4,126,400.55

NOTES

TO THE 2015 CONSOLIDATED FINANCIAL STATEMENTS

GENERAL INFORMATION

These consolidated financial statements were prepared in accordance with section 290 et seq. of the German Commercial Code (HGB – Handelsgesetzbuch).

These items are presented separately in the notes. We have also incorporated the additional disclosures required for individual items into the notes. We prepared the consolidated income statement using total cost accounting methods.

COMPANIES OF THE ASKNET GROUP

The consolidated financial statements include the parent company asknet AG, Karlsruhe, Germany, as well as the wholly owned subsidiaries asknet Inc., San Francisco, USA, asknet KK, Tokyo, Japan, and asknet Switzerland GmbH, Uster, Switzerland which are fully consolidated.

asknet Switzerland GmbH, Uster, Switzerland, which was established with effect from August 12, 2015, has been included in the consolidated financial statements for the first time.

ACCOUNTING AND REPORTING POLICIES

As in the previous year, the consolidated financial statements were prepared using the accounting and reporting methods stated below.

The financial statements of the companies included in the parent company's consolidated financial statements were prepared using **uniform accounting and reporting methods**.

Acquired **intangible fixed assets** are carried at cost and, if they have a finite useful life, are amortized in accordance with the term of their useful lives.

Tangible fixed assets are carried at their acquisition or production costs and are subject to scheduled depreciation. They are written down in a straight line in accordance with their expected useful lives.

Since January 1, 2010, low value assets have been fully written off in the year of acquisition.

All other additions to tangible fixed assets are written down on a pro-rata temporis basis.

Inventory is carried at the lower of cost or market.

Appropriate write-downs have been recognized for all identifiable **inventory** risks that result from reduced marketability and lower replacement costs.

With the exception of customary retention of title, inventories are free from third-party rights.

Receivables and other assets are carried at their face value. Adequate specific provisions are allowed for all items that carry risk; the general credit risk is covered by standard write-downs.

Liquid funds are recognized at their face value on the balance sheet date.

Payments made before the reporting date are recognized as **prepaid expenses** if they constitute expenses for a certain period after this date.

Other provisions account for all contingent liabilities and impending losses from pending transactions. They are recognized at their settlement values required according to prudent commercial judgment (in other words taking into consideration future costs and price increases).

Liabilities were carried at their settlement values.

Payments received before the reporting date are recognized as **deferred income** if they constitute income for a certain period after this date.

TRANSLATION OF FOREIGN CURRENCIES

All foreign currency assets and liabilities were translated into euros on the financial statement date using the respective mean exchange rate. If these had remaining terms of more than one year, the realization principle (section 298 paragraph 1 in conjunction with section 252 paragraph 1 no. 4 half sentence 2 HGB) and the historical cost principle (section 298 paragraph 1 in conjunction with section 253 paragraph 1 sentence 1 HGB) were complied with.

All assets and liabilities of annual financial statements prepared in foreign currencies were translated into euros at the respective mean exchange rate prevailing on the financial statement date, with the exception of equity (subscribed capital, provisions, profit/loss carryforwards at historical exchange rates). Income statement items are translated into euros at the average exchange rate. The resulting translation differences are recognized in Group equity, below provisions in the item "Currency translation differences".

CONSOLIDATION PRINCIPLES

The initial capital consolidation for initial consolidations prior to 2010 was carried out using the book value method at the time of the initial consolidation for initial consolidations prior to 2010.

The initial capital consolidation for initial consolidations as of 2010 was carried out using the revaluation method.

Receivables and liabilities, as well as income and expenses were eliminated. No eliminations of inter-company profits or losses were necessary.

No deferred taxes resulted.

EXPLANATORY NOTES TO THE CONSOLIDATED BALANCE SHEET

Fixed assets

The changes in the individual fixed asset items during the fiscal year are presented in the fixed assets schedule together with the respective depreciation.

Receivables and other assets

As in the previous year, receivables and other assets have a remaining maturity of up to one year, with the exception of the "Solidarbürgschaft" (joint security) of the Swiss Tax Authority (23,000 Swiss francs).

Bank balances

Of our bank balances, 150 thousand euros are reserved as collateral for aval commitments.

Equity

The subscribed capital of 5,094 thousand euros corresponds with the items recorded in the balance sheet of the parent company.

The table below shows the changes in the consolidated net accumulated losses:

in € thousand	
Jan 1, 2015	-1,176.4
Consolidated net income	81.3
Dec 31, 2015	-1,095.1

Other provisions

Other provisions primarily consisted of debt collection claims, leave entitlement and special bonuses, contributions to professional associations, year-end accounting costs, and tax accountant fees, as well as outstanding vendor invoices.

Liabilities

As in the previous year, all liabilities have a remaining maturity of up to one year and are not collateralized.

Other financial obligations

asknet has other financial obligations in the form of rental agreements and leases in the amount of 584 thousand euros.

in €	Rent	Leasing	Total
due within one year	287,350.79	42,015.18	329,365.97
due in one to five years	192,355.92	62,308.18	254,664.10
due after five years	–	–	–
	479,706.71	104,323.36	584,030.07

The agreements and leases expire in 2018.

Information on transactions not shown in the consolidated balance sheet

Property leases relate to the company's head office in Germany, the branch office in Switzerland as well as to the customer service locations in Japan and the USA. The leasing agreements are operating leases, under which the properties are not accounted for by the company. The advantage of these agreements is that less capital is tied up compared to the acquisition of the properties and that the realization risk is eliminated. Risks may arise from the duration of the agreement if the properties can no longer be fully used, of which there are no signs, however.

EXPLANATORY NOTES TO THE INCOME STATEMENT

Sales revenues

in € thousand

	2015	2014
SALES REVENUES BY BUSINESS UNIT		
Digital, Physical (formerly collectively eDistribution)	46,945	52,492
Academics (formerly ePortals)	26,378	36,886
	73,323	89,378
SALES REVENUES BY REGION		
Germany	30,147	42,187
USA	14,573	12,424
Other countries	28,603	34,857
	73,323	89,378

Other operating expenses/Other operating income

Other operating expenses of the 2015 fiscal year in the amount of 5,215 thousand euros included expenses from currency translation (1,039 thousand euros). Other operating income in the amount of 675 thousand euros included income from currency translation (546 thousand euros).

EXPLANATORY NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

As in the previous year, cash funds comprised cash and bank balances. 150 thousand euros (previous year: 150 thousand euros) of these cash funds are subject to drawing restrictions.

OTHER DISCLOSURES

DIRECTORS OF THE CORPORATION

The Executive Board

In the fiscal year, the Executive Board was composed of:

- › **Herr Tobias Kaufuss**, Dipl. Kaufmann, MBA, Essen.
- › **Frau Ute Imhof**, née Köhler, Dipl. Übersetzerin, Hamburg (until December 31, 2015).
- › **Herr Michael Konrad**, Wirtschaftsingenieur, Karlsruhe (until February 28, 2015).

In 2015, the Executive Board received remuneration of 442 thousand euros.

Supervisory Board

The members of the Supervisory Board in the fiscal year were:

- › **Dr. Joachim Bernecker**, Management Consultant, Straubenhardt, Germany, – Chairman –
- › **Thomas Krüger**, Eichenau, Germany, Managing Director of Ad Astra Erste Beteiligungs GmbH and Ad Astra Venture Consult GmbH, both of Munich, Germany, – Deputy Chairman –
- › **Marc Wurster**, Attorney/Tax Advisor, Karlsruhe, Germany

TOTAL REMUNERATION OF THE SUPERVISORY BOARD

In 2015, the Supervisory Board received remuneration of 49 thousand euros.

AUDITING AND CONSULTING FEES

Total auditing fees for the fiscal year amounted to 34 thousand euros.

EMPLOYEES

During the 2015 fiscal year, the company employed an average of 88 employees in Germany and 6 abroad (not including Executive Board, trainees, and temporary employees).

Karlsruhe, March 10, 2016

asknet AG

– The Executive Board –



Tobias Kaulfuss

CONSOLIDATED STATEMENT OF CHANGES IN FIXED ASSETS

2015

in €

	Cost					Dec 31, 2015
	Jan 1, 2015 historical	Foreign exchange differences	Additions	Disposals	Transfers	
I. Intangible fixed assets						
1. Concessions, industrial and similar rights and assets, and licenses in such rights and assets	1,733,702.94	0.00			0.00	1,733,702.94
II. Tangible fixed assets						
2. Other equipment, operating and office equipment	1,159,078.43	0.00	157,436.80	956.00	0.00	1,315,559.23
	2,892,781.37	0.00	157,436.80	956.00	0.00	3,049,262.17

Depreciation, amortization and write-downs					Carrying Amount	
Jan 1, 2015 historical	Currency translation differences	Additions	Disposals	Dec 31, 2015	Dec 31, 2015	Dec 31, 2014
673,449.43	0.00	3,181.00	0.00	676,630.43	1,057,072.51	1,060,253.51
849,627.94	-81.82	131,157.54	0.00	980,703.66	334,855.57	309,450.49
1,523,077.37	-81.82	134,338.54	0.00	1,657,334.09	1,391,928.08	1,369,704.00



ASKNET AG, KARLSRUHE

ANNUAL FINANCIAL STATEMENTS

BALANCE SHEET

as of December 31

in €

	2015	2014
ASSETS		
A. Fixed assets		
I. Intangible fixed assets		
Concessions, industrial and similar rights and assets, and licenses in such rights and assets	1,057,072.51	1,060,253.51
II. Tangible fixed assets		
Other equipment, operating and office equipment	328,781.40	307,168.40
Advance payments and assets under construction	0.00	0.00
III. Long-term financial assets		
1. Shares in affiliated companies	162,397.90	143,204.04
2. Loans to affiliated companies	0.00	0.00
	162,397.90	143,204.04
	1,548,251.81	1,510,625.95
B. Current assets		
I. Inventories		
Merchandise	818,630.61	988,031.40
II. Receivables and other assets		
1. Trade receivables	3,576,888.88	7,561,044.04
2. Receivables from affiliated companies	842,338.13	542,086.51
3. Other assets	595,262.06	164,872.11
	5,014,489.07	8,268,002.66
III. Cash-in-hand and bank balances	4,251,515.53	6,735,519.89
	10,084,635.21	15,003,522.55
C. Deferred Income	418,890.85	148,287.44
	12,051,777.87	17,650,467.34

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	2015	2014
EQUITY AND LIABILITIES		
A. Equity		
I. Subscribed capital	5,094,283.00	5,044,283.00
II. Capital reserve	50,000.00	0.00
III. Losses brought forward	-1,226,859.24	-1,311,564.25
IV. Net Income	63,844.26	84,705.01
	3,981,268.02	3,817,423.76
B. Provisions		
Other provisions	2,800,999.26	3,161,389.84
C. Liabilities		
1. Trade payables	3,558,903.10	7,289,280.99
2. Liabilities to affiliated companies	70,210.85	44,221.31
3. Other liabilities of which taxes € 898,259.17 (previous year: T€ 2,706) of which relating to social security and similar obligations € 6,573.21 (previous year: T€ 7)	1,013,782.84	2,879,904.36
	4,642,896.79	10,213,406.66
D. Deferred Income	626,613.80	458,247.08
	12,051,777.87	17,650,467.34

INCOME STATEMENT

January 1 until December 31

in €

	2015	2014
1. Sales revenues	73,323,195.01	89,378,112.31
2. Other operating income	675,580.02	605,444.27
	73,998,775.03	89,983,556.58
3. Cost of materials		
a) Cost of purchased merchandise	-62,930,125.55	-78,739,338.99
b) Cost of purchased services	-439,460.02	-408,859.07
4. Personnel expenses		
a) Wages and salaries	-4,204,133.38	-4,450,520.32
b) Social security, post-employment and other employee benefit costs of which in respect of old age pensions 1,903.00 € (previous year: € 3,453.30 €)	-720,786.68	-739,226.94
5. Amortization and write-downs of intangible fixed assets, and depreciation and write-downs of tangible fixed assets	-129,502.72	-124,764.57
6. Other operating expenses	-5,506,440.78	-5,434,568.28
	-73,930,449.13	-89,897,278.17
7. Income from loans of financial assets		
8. Other interest and similar income of which from affiliated companies 0 € (previous year: 0 €)	500.62	2,551.21
9. Interest and similar expenses	-3,599.26	-2,755.61
	-3,098.64	-204.40
10. Result from ordinary activities	65,227.26	86,074.01
11. Other taxes	-1,383.00	-1,369.00
12. Net income	63,844.26	84,705.01
13. Withdrawal from the capital reserve	0.00	0.00
14. Losses brought forward	-1,226,859.24	-1,311,564.25
15. Net retained profits	-1,163,014.98	-1,226,859.24

NOTES

TO THE 2015 ANNUAL FINANCIAL STATEMENTS

GENERAL INFORMATION

These annual financial statements were prepared in accordance with sections 242 et seq. and sections 264 et seq. of the German Commercial Code (HGB – Handelsgesetzbuch) as well as the pertinent regulations of the German Stock Corporation Act (AktG – Aktiengesetz). As of December 31, 2015, the company fulfilled the size classification for a medium-sized corporation.

The income statement was prepared using total cost accounting methods.

ACCOUNTING AND REPORTING METHODS

As in the previous year, the annual financial statements were prepared using the accounting and reporting methods stated below.

Acquired **intangible fixed assets** are carried at cost and, if they have a finite useful life, are amortized in accordance with the term of their useful lives.

Tangible fixed assets are carried at their acquisition or production cost and are subject to scheduled depreciation (straight-line method). Tangible fixed assets are depreciated in accordance with their expected useful life.

Since January 1, 2010, low value assets have been fully written off in the year of acquisition.

All other additions to tangible fixed assets are written down on a pro-rata temporis basis.

In the case of **financial assets**, shares are carried at acquisition cost.

Inventory is carried at the lower of cost or market.

Appropriate write-downs have been recognized for all identifiable **inventory** risks that result from reduced marketability and lower replacement costs.

With the exception of customary retention of title, inventories are free from third-party rights.

Receivables and other assets are carried at their face value. Adequate specific provisions are allowed for all items that carry risk; the general credit risk is covered by standard write-downs.

Liquid funds are recognized at their face value on the balance sheet date.

Payments made before the reporting date are recognized as **prepaid expenses** if they constitute expenses for a certain period after this date.

Other provisions account for all contingent liabilities and impending losses from pending transactions. They are recognized at their settlement values required according to prudent commercial judgment (in other words taking into consideration future costs and price increases).

Liabilities are carried at their settlement values.

Payments received before the reporting date are recognized as **deferred income** if they constitute income for a certain period after this date.

All **foreign currency assets and liabilities** were translated into euros on the financial statement date using the respective mean exchange rate. If these had remaining terms of more than one year, the realization principle (section 252 paragraph 1 no. 4 half sentence 2 HGB) and the historical cost principle (section 253 paragraph 1 sentence 1 HGB) were complied with.

EXPLANATORY NOTES TO THE BALANCE SHEET**Fixed assets**

The changes in the individual fixed asset items during the fiscal year are presented in the fixed assets schedule together with the respective depreciation.

Information on shareholdings

	Reporting date	Currency	Share in %	Equity in local currency	Result in local currency
asknet Inc. San Francisco, USA	31/12/2015	USD '000	100.0	150	8
asknet KK Tokyo, Japan	31/12/2015	JPY '000	100.0	19,586	1,358
asknet Switzerland GmbH Uster, Schweiz	31/12/2015	CHF '000	100.0	21	0.9

Receivables and other assets

As in the previous year, receivables and other assets have a remaining maturity of up to one year, with the exception of the "Solidarbürgschaft" (joint security) of the Swiss Tax Authority (23,000 Swiss francs).

Receivables from affiliated companies fully result from financial transactions.

Bank balances

Of our bank balances, 150 thousand euros are reserved as collateral for aval commitments.

EQUITY**Subscribed capital**

The share capital of the company amounts to 5,094,283.00 euros and consists of registered no-par value shares (common stock). Each no-par share represents one vote. The share capital was fully paid up.

Authorized capital

At the regular general meeting on July 29, 2011, with the full approval of the Supervisory Board, the Executive Board was given authorization, extending until July 28, 2016, to increase the share capital of the corporation on one or more occasions by up to 2,520,000.00 euros against cash and/or payment in kind. Shareholders' subscription rights may be excluded. This authorized capital, which was limited until July 2016, has been replaced with 2015 authorized capital in the same amount. Shareholders' subscription rights may be excluded. The Executive Board is authorized, with the full approval of the Supervisory Board, to increase the share capital on one or more occasions by up to 2,520,000.00 euros by June 17, 2020 against cash and/or payment in kind by issuing new registered shares (2015 authorized capital).

Contingent capital of up to 150,000.00 euros

At the annual general meeting on July 27, 2005, the Executive Board and the Supervisory Board were authorized to increase contingent capital by up to 150,000.00 euros in the form of registered no-par shares. This was for the purpose of stock options. The contingent capital went down by 4,283.00 euros to 145,717.00 euros on account of option rights being exercised in the 2010 fiscal year. In the fiscal year 2015, Tobias Kaulfuss, Chief Executive Officer of asknet AG, announced that he exercised 50,000 stock options. This means that 50,000 new shares of asknet AG were subscribed at a price of 2.00 euros per share, i.e. in a total amount of 100,000 euros. As a result, the share capital increased by 50,000 euros. An amount of 50,000 euros was allocated to the capital reserve.

The 2005 contingent capital no longer existed as of December 31, 2015.

Other provisions

Other provisions primarily consisted of debt collection claims, leave entitlement and special bonuses, contributions to professional associations, year-end accounting costs, and tax accountant fees, as well as outstanding vendor invoices.

Liabilities

As in the previous year, all liabilities have a remaining maturity of up to one year and are not collateralized.

Liabilities to affiliated companies fully result from financial transactions.

Other financial obligations

asknet has other financial obligations in the form of rental agreements and leases in the amount of 553 thousand euros.

in €

	Rent	Leasing	Total
due within one year	256,474.56	42,015.18	298,489.74
due in one to five years	192,355.92	62,308.18	254,664.10
due after five years	–	–	–
	448,830.48	104,323.36	553,153.84

EXPLANATORY NOTES TO THE INCOME STATEMENT

Other operating expenses/Other operating income

Other operating expenses of the 2015 fiscal year in the amount of 5,506 thousand euros included expenses from currency translation (1,015 thousand euros). Other operating income in the amount of 675 thousand euros included income from currency translation (533 thousand euros).

OTHER DISCLOSURES

DIRECTORS OF THE CORPORATION

The Executive Board

In the fiscal year, the Executive Board was composed of:

- > **Herr Tobias Kaufuss**, Dipl. Kaufmann, MBA, Essen.
- > **Frau Ute Imhof**, née Köhler, Dipl. Übersetzerin, Hamburg (until December 31, 2015).
- > **Herr Michael Konrad**, Wirtschaftsingenieur, Karlsruhe (until February 28, 2015).

In 2015, the Executive Board received remuneration of 442 thousand euros.

Supervisory Board

The members of the Supervisory Board in the fiscal year were:

- > **Dr. Joachim Bernecker**, Management Consultant, Straubenhardt, Germany, – Chairman –
- > **Thomas Krüger**, Eichenau, Germany, Managing Director of Ad Astra Erste Beteiligungs GmbH and Ad Astra Venture Consult GmbH, both of Munich, Germany – Deputy Chairman –
- > **Marc Wurster**, Attorney/Tax Advisor, Karlsruhe, Germany

TOTAL REMUNERATION OF THE SUPERVISORY BOARD

In 2015, the Supervisory Board received remuneration of 49 thousand euros.

AFFILIATED GROUP

The company is included in the consolidated financial statements of asknet AG, Karlsruhe.

EMPLOYEES

During the 2015 fiscal year, the company employed an average of 88 employees (not including Executive Board, trainees, and temporary employees).

Karlsruhe, March 10, 2016

asknet AG

– The Executive Board –



Tobias Kaulfuss

AUDITOR'S REPORT

We have audited the annual financial statements, comprising the balance sheet, the income statement and the notes to the financial statements, together with the bookkeeping system and the management report, which is combined with the group management report, of asknet AG, Karlsruhe for the business year from January 1, 2015 to December 31, 2015. The maintenance of the books and records and the preparation of the annual financial statements and the combined management report in accordance with German commercial law are the responsibility of the Company's Board of Managing Directors. Our responsibility is to express an opinion on the annual financial statements, together with the bookkeeping system, and the combined management report based on our audit.

We conducted our audit of the annual financial statements in accordance with § (Article) 317 HGB ("Handelsgesetzbuch": "German Commercial Code") and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the annual financial statements in accordance with (German) principles of proper accounting and in the combined management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Company and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the books and records, the annual financial statements and the combined management report are examined primarily on a test basis

within the framework of the audit. The audit includes assessing the accounting principles used and significant estimates made by the Company's Board of Managing Directors as well as evaluating the overall presentation of the annual financial statements and the combined management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion based on the findings of our audit, the annual financial statements comply with the legal requirements and give a true and fair view of the net assets, financial position and results of operations of the Company in accordance with (German) principles of proper accounting. The combined management report is consistent with the annual financial statements and as a whole provides a suitable view of the Company's position and suitably presents the opportunities and risks of future development.

Karlsruhe, March 14, 2016

PrincewaterhouseCoopers
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft



Oliver Striebel
Auditor



ppa. Carmen Burger
Auditor

SUPERVISORY BOARD REPORT

DEAR SHAREHOLDERS,

In the 2015 fiscal year, we, the Supervisory Board, performed our tasks and duties in accordance with the law and the articles of association. In an intensive and ongoing dialog with the company's Executive Board, we received regular, up-to-date, and comprehensive information on business developments, performance, perspectives, major investment projects and other particular issues of asknet AG. In addition, the Supervisory Board made certain that the Executive Board was carrying out risk management in a due and proper manner and in accordance with section 91 paragraph 2 of the German Stock Corporation Act (AktG – Aktiengesetz), that the system was being implemented effectively, and that the company was being managed in a due and proper manner and in full compliance with the law. As a result, the Executive Board was able to comply with its legal and internal reporting requirements in full and in a timely manner. The Supervisory Board advised and oversaw the Executive Board on matters relating to business strategy. This included consultation between the Executive Board and the Supervisory Board in planning activities and determining the strategic focus of asknet AG.

The Executive Board provided written and oral reports, both within and outside the regular Supervisory Board meetings. The Supervisory Board was directly involved in all decisions and plans of material importance to the company. The Supervisory Board addressed all matters requiring its participation or decision according to the law and the articles of association. After thorough examination and discussion, the Supervisory Board approved the Executive Board's proposed resolutions insofar as was required by the law, the articles of association, or the bylaws for the Executive Board. The Executive Board provided the Supervisory Board with the necessary documentation for the topics under consideration in good time; the Supervisory Board requested and received additional information from the Executive Board as necessary and reviewed the documents and contracts in question.

The Executive Board and the Supervisory Board have a long history of close cooperation and open dialog based on mutual trust. The Supervisory Board held a total of four meetings and one Supervisory Board workshop during the 2015 fiscal year. In addition, the Supervisory Board and the Executive Board held several talks to discuss operational matters and address individual topics in greater detail. The Executive Board and the Supervisory Board remained in close communication, exchanging information by telephone, e.g. by holding telephone conferences. Some resolutions were also approved by all Supervisory Board members in writing in lieu of a meeting.

At the quarterly meetings, the company's current business position was always on the agenda. Discussions regularly covered the results for the most recent quarter, the cumulative results for the year to date, an analysis of targets and actual performance figures, and the projected results for the fiscal year. The Chairman of the Supervisory Board continued to regularly receive and give information and ideas on the company's business as well as other important issues affecting asknet AG.

Key topics addressed by the Supervisory Board

In addition to our ongoing discussions on company performance, the Supervisory Board focused on a number of key topics in this reporting year.

At our meeting on March 25, 2015, besides addressing the usual subjects of performance and outlook, we placed particular emphasis on the results reported in the 2014 annual report. Following in-depth consultation between the Supervisory Board and the auditors of PricewaterhouseCoopers, the separate financial statements and the consolidated financial statements for 2014 were approved unanimously. Other topics addressed at the meeting on March 25, 2015 were the performance of the IBM SPSS licenses, the expenses incurred in

conjunction with currency translation, the new VaaS (Verification-as-a-Service) line of business, the adoption of the proposed agenda items for the annual general meeting in June 2015, the resolution of the Supervisory Board regarding the achievement of the Executive Board objectives for the 2014 fiscal year and the consultation on the Executive Board objectives for the 2015 fiscal year.

At the Supervisory Board meeting on June 18, 2015, the agenda included a discussion of the company's position (business performance up to the end of April 2015) and the forecast for the year as a whole (forecast 4+8). The expenses incurred in conjunction with currency translation were discussed and analyzed and measures aimed at reducing these expenses were agreed with the Executive Board. The SPSS license activities were expanded in 2014 and 2015 and led to an increased capital tie-up in the form of licenses owned by asknet AG (inventories). The resulting effects on liquidity were discussed. As part of the SPSS growth is attributable to Swiss customers and organizations, the Executive Board believed it would make sense to establish a subsidiary of asknet AG in Switzerland. The Supervisory Board approved the Executive Board's proposal to establish a Swiss subsidiary.

At the meeting on September 23, 2015, the Supervisory Board discussed not only the business trend (results up to August 2015) and the forecast 8+4 but also the prospects of the new lines of business such as VaaS and IaaS (Infrastructure-as-a-Service). Part of this meeting was also attended by members of the management staff, who presented their respective fields of responsibility. In August 2015, an agreement was reached with Ute Imhof about her departure from asknet AG with effect from December 31. Accordingly, the transfer of responsibility and the resulting organizational changes were also discussed at the meeting on September 23.

At the meeting on November 17, 2015, the Supervisory Board members discussed the business results of the first nine months of 2015 and the anticipated result for 2015 (forecast

9+3). The main focus was placed on the performance of the SPSS licenses. The post-calculation and the analysis of the individual contracts showed that asknet generates relevant positive results in this line of business. With regard to the expenses incurred in conjunction with currency translation, the effects of the measures taken so far were discussed and further measures agreed for the coming months. Tobias Kaulfuss presented the preconditions, assumptions and a first draft of the business planning for 2016. It was decided to wait for the results of a workshop scheduled for December 2015 before finalizing and adopting the plans and budgets.

The above-mentioned workshop on the strategy and business focus of asknet AG was held on December 17, 2015 and attended by the Executive Board, the management and the Supervisory Board of asknet AG.

Additional Supervisory Board resolutions, which were typically discussed in detail at the above-mentioned meetings or in Supervisory Board telephone conferences and then finalized by means of circular resolution, included:

- › termination agreement with Michael Konrad
- › recruitment of a new Vice President Digital Business Unit
- › foundation of asknet Switzerland GmbH
- › termination agreement with Ute Imhof
- › amendment of the bylaws reflecting the changes on the Executive Board
- › agenda of the regular annual general meeting 2015
- › amendment of the articles of association with regard to the end of the period for exercising option rights
- › adoption of the plans and budgets for 2016 (in January 2016).

With regard to the business performance in 2015, it bears mentioning that the Executive Board and the employees were able to close the year 2015 with a positive result and to generate initial, albeit low revenues in new lines of business although business with some existing customers declined.

Annual general meeting

asknet AG's regular annual general meeting was held on June 18, 2015. The main item on the agenda, besides granting discharge to the Executive Board and the Supervisory Board and electing the auditors for the 2015 fiscal year, was a resolution regarding the cancellation of the existing authorized capital and the creation of the new authorized capital 2015. The resolutions for all agenda items were carried by a large majority of the shareholders attending or represented at the meeting.

Audit of the annual financial statements 2015

At the annual general meeting on June 18, 2015, PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Karlsruhe, was commissioned to perform the audit of the financial reports for the 2015 fiscal year. PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Karlsruhe, audited asknet AG's annual financial statements for the period ending December 31, 2015 and the management report of asknet AG and issued an unqualified audit certificate. asknet AG's annual financial statements and the consolidated financial statements were prepared in accordance with the German Commercial Code (HGB – Handelsgesetzbuch).

The annual financial statements of asknet AG, the consolidated financial statements, the combined management report, and the audit report of PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Karlsruhe, were provided to all members of the Supervisory Board in a timely manner. At a meeting held on April 14, 2016, the auditors presented the findings of their audit to the asknet AG Supervisory Board, which then asked the auditors supplementary questions.

asknet AG's annual financial statements, the consolidated financial statements, and the combined management report for the 2015 fiscal year were examined in detail by the Supervisory

Board. Based on our own review of the audit, the Supervisory Board raised no objections and concurred with the audit results provided by PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Karlsruhe. With its resolution of April 14, 2016, the Supervisory Board of asknet AG therefore expressed its unreserved approval of the annual financial statements presented by the Executive Board in accordance with section 172 of the German Stock Corporation Act (AktG – Aktiengesetz). In addition, the Supervisory Board approved the consolidated financial statements, the asknet AG management report, and the asknet Group management report.

Composition of the Executive Board

Michael Konrad and Ute Imhof resigned from the Executive Board of asknet AG with effect from February 28, 2015 and December 31, 2015, respectively. Since January 2016, Tobias Kaulfuss has been the sole Executive Board member of asknet AG.

The Supervisory Board of asknet AG would like to take this opportunity to thank Michael Konrad and Ute Imhof for their long-standing activity for asknet AG. Our thanks also go to all the company's employees for their commitment and their successful work and achievements in the 2015 fiscal year. The Supervisory Board wishes asknet AG every success in the 2016 fiscal year.

Karlsruhe, April 14, 2016

The Supervisory Board



Dr. Joachim Bernecker
(Chairman of the Supervisory Board)

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FINANCIAL CALENDAR 2015

April 29, 2016

Publication Financial Report 2015

May 25, 2016

Publication Q1/2016 interim report (German version)

July 1, 2016

Annual General Meeting

September 2, 2016

Publication Half Year Report 2016

November 25, 2016

Publication Q3/2016 interim report (German version)

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