nexus | ag

Financial Highlights for the Business Year 2014

	2014	adjusted[1] 2013	Change (in %)
Sales and Operating Result	**KEUR**	**KEUR**	
Sales	80,147	73,263	9.4
HC Software Sales	70,442	64,940	8.5
HC Software Service	9,705	8,323	16.6
Domestic Sales	49,381	41,885	17.9
Sales in Foreign Countries	30,766	31,378	-2.0
Operating result	8,031	6,540	22.8
Group Result before Tax on Income	8,243	6,698	23.1
Consolidated surplus	8,108	6,840	18.5
EBITDA	15,044	13,618	10.5
EbitA	14,138	12,744	10.9
Earnings per Share	0.55	0.48	14.6
Investments and Depreciations			
Capitalized intangible fixed assets	4,819	4,658	3.5
Development investment	12,884	11,540	11.6
Depreciation	7,013	7,078	-0.9
Assets, Equity Capital and Payables			
Balance sheet total	108,189	100,721	7.4
Fixed Assets (without deferred taxes)	58,647	50,280	16.6
Current Assets / Short-Term Assets	44,714	46,744	-4.3
Net Liquidity	22,578	23,804	-5.2
Equity Capital	75,812	71,495	6.0
Equity Ratio (in %)	70.1	71.0	-1.3
Bank Loans	268	195	37.4
Cash Flow from On-going Business Operations	11,594	10,544	10.0
Cash Flow from Investment Activities	-11,750	-3,687	218.7
Employees (as of the record date)	**662**	**644**	**2.8**

[1] Based on the error corrections pursuant to IAS 8.41 ff., the comparative figures have been adjusted (cf. Appendix number 2.3).

A European perspective

„NEXUS is developing into a company operating throughout Europe for software in the healthcare sector. I consider it to be a great challenge to combine solutions, know-how and ides from our European companies and consequently be able to provide customers with better product.“

Dr. Ingo Behrendt
Chief Executive Officer of NEXUS AG


NEXUS / NEXT GENERATION:
A personal workspace:
adapts to your work steps!
We are introducing a fundamental new operating concept in NEXUS / HIS with the NEXT GENERTION software from NEXUS: faster use through interfaces that adapt to individual worker processes.
NEXUS / NEXT GENERATION:
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Letter to Our Stockholders

Dear stockholders

A comprehensive mobile concept for our software solutions, new service offers, a completely revised operating concept for our HIS, enhanced modules in special diagnostics and substantially increasing internationalization of our company: We have worked intensively in 2014 to make the offer for our customers even more attractive and implement our international growth strategy at the same time. The success of this work is obvious.

General Development

Improvement of our customer service and development of new, innovative solutions were our focal points last year. This strategy paid off in every respect. We have launched new solutions on the market and proved to our customers that we are working intensively on improved support processes.

With that, we want to develop further in the direction of a service-oriented company. This means that we want to be recognized as an excellent service organization in addition to our position as strong product company.

NEXUS stands on the product side for software that is easy to use, is focused strongly on the respective medical processes and helps users to take care of documentation as well as information searches quickly! We are convinced that we are doing justice to customer demands with this product orientation.

We again invested considerably in our products last year with approx. EUR 12.9 million or 16 % of sales and consequently further advanced the innovative side of our business.

In spite of these high investments, we were also able in 2014 to continue our trend of many years impressively: substantial sales increases with disproportionately increasing profits.

We achieved an increase in sales of 9.4 % and in our result before taxes of 23.1 % in 2014.

We are very satisfied with these results. This is all the more so the case considering that neither the industry environment nor business activity in Europe provided support for this.

In many European countries, the investment behavior of the public sector was very subdued due to the difficult economic situation. The pressure in our core markets Germany, Switzerland, Austria and France for reducing expenditures has not decreased either. Especially in Germany, the economic situation of many hospitals is critical and investments are being postponed.

As a result, we see outmoded and insufficient support of patient treatment in many hospitals with in part negative effects for work efficiency and work quality of doctors and nurses. In hospitals, in which patient records are still written by hand, X-rays have to be obtained from archives or the interaction of drugs is not shown when prescriptions are given, patients cannot be treated and cared for with the same quality as in modernly equipped hospitals. Despite this generally accepted viewpoint, this has not prevented the investment delays of the past years sustainably.

However, NEXUS has adapted to this situation. We have concentrated our activities on innovation-oriented customers and offer German customers optimally priced solutions. Thanks to our modern software basis and the considerable interest of different target groups in our solutions, we have been very successful with this market concept.

Dr. Ingo Behrendt
Chief Executive Officer

On the other hand, the complete industry continues to be characterized by strong consolidation. Especially in the European HIS market, the competitive situation has changed substantially over the past months. Several companies were sold completely or partially, and the concentration of providers has continued further. The biggest changes resulted from the acquisition of the global healthcare software activities of Siemens AG by the US American software group Cerner. Other significant events include the sale of the European healthcare software division of the American pharmaceutical group McKesson as well as the splitting of the IT consultancy CSC from its German subsidiary for healthcare software.

Without a doubt, these changes in the European competitive landscape provide substantial chances for NEXUS. The circle of companies, which are able to fulfill the high requirements for solution scope and quality, is decreasing further.

However, the big changes in the competitive structure have also resulted in uncertainties among hospital customers. Many are waiting to see the result of respective acquisitions and only invest in alternatives when the product strategy of their providers is clear and credible. As a result, it is a challenge in the current market situation to achieve substantial rates of increase. However, we consider this to be a short-term development. In the medium term, an increasing number of hospitals will want to get rid of old software solutions and invest in future-oriented ones.

NEXUS is in an excellent position for this phase with a very comprehensive and modern product portfolio. In addition to the core product "NEXUS / HIS", we provide a wide range of leading market diagnostic information systems and also offer comprehensive solutions for senior citizen homes and rehabilitation institutions. This a product range unequaled on the market, which make it attractive for customers to switch to NEXUS.

New Customers

Many healthcare institutions also decided in favor of the solutions from NEXUS in 2014.

We signed contracts for new projects with a total of 276 customers in 2014. These include hospitals, rehabilitation and nursing institutions as well as specialized medical offices. The customers are from Germany, Switzerland, Austria, France, Holland, Israel, Libya and Spain.

The number of orders for complete hospital information systems (NEXUS / HIS) was lower than in the previous year. There were fewer bid invitations overall in Germany, Switzerland, France and Austria, which we participated in. On the other hand, awards for diagnostic information systems and ward systems increased, so that we could continue to show interesting growth in new customer business.

We were very successful in internal medicine, cardiology and ophthalmology with the products Clinic WinData (CWD) and NEXUS / HIS last year. We received essential orders for diagnostic support and an order to equip an association of specialist clinics.

We also had big order increases in the cytology and pathology areas. Numerous customers have selected our market-leading system here. The successful roll-out of systems at major customers and university hospitals has resulted in a high degree of market acceptance, which we detect in the number of new orders.

For our software in the area of quality management (NEXUS / QM) and certification, we were able to fire the enthusiasm of approx. 55 new customers in 2014 and consequently further strengthen its position as leading market solution.

NEXUS was also successful in France, where 14 new customers in the areas of OP management, sterilization management and clinical documentation decided in favor of us. We were able to improve our currently unsatisfactory market position in Austria thanks to new orders for the complete equipping of the rehabilitation institutions of the Vanguard Group.

We also again achieved an essential share of our overall business in Switzerland in 2014. Pleasant news: We were able to expand our business considerably with our newly developed patient management system (NEXUS / HOSPIS). We have worked on this module intensively over the past years and can now see how the market is accepting the product. The number of received orders in the area of mobile care in Switzerland and the new business in the area of long-term care (NEXUS / HOME) are certainly also to be emphasized.

The market success of our new radiology information system (NEXUS / RIS) is outstanding overall. The system fires the enthusiasm of radiologists, because we have created a product on our platform that enables substantial time-saving and provides intuitive and highly modern operation at the same time. The highlight in 2014: The leading management and service supplier group for radiologists in Germany, CURAGITA AG, decided in favor of the NEXUS solutions and equipped the first eight sites with it. The published quote of the managing director, "For the newest version, NEXUS designed the software completely new with respect to technology in a pioneering fashion and consequently has become the innovation leader," confirms our assessment of the market acceptance of the product.

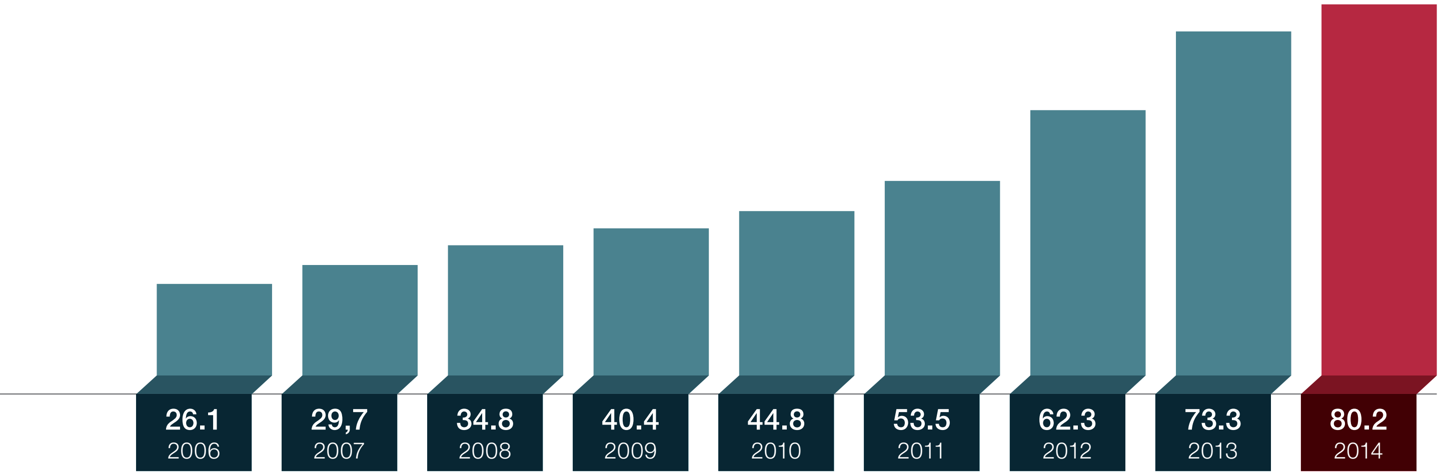
Projects and Service

We developed existing large projects further and implemented an extraordinary challenging project with introduction of a large outsourcing project in 2014.

The large projects in Germany, Switzerland and France put a lot of demands on us in 2014. We have a pleasing number of major customers, with whom we are implementing projects. These include project roll-outs in Minden (five hospitals), Offenburg (nine hospitals), German military hospitals (four hospitals), St. Gallen (11 hospitals), Geneva (several sites), Groupe Medi Partenaire (Bordeaux, 60 hospitals) and Vitalia (Paris, 44 hospitals). We have been able to meet essential deadlines in all projects and expand the projects further.

Group sales in millions of EUR

2006 – 2014

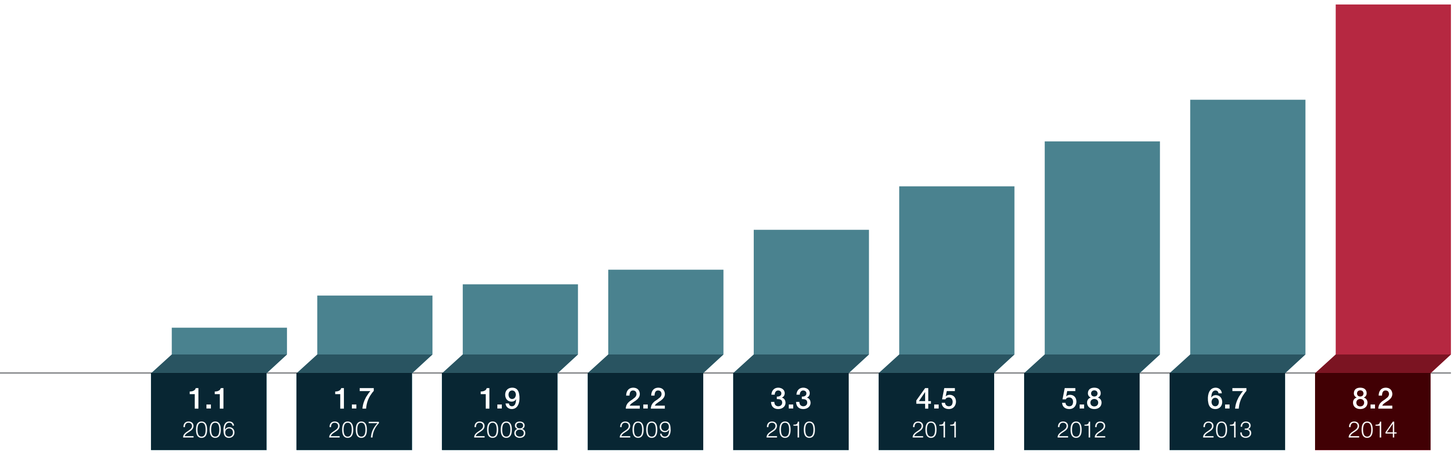


The project in Marien Hospital in Gelsenkirchen is certainly to be emphasized. We replaced the existing system completely in two hospitals there within six months with NEXUS / KHIS and NEXUS / DIS. The customer, which places considerable value on innovation, also awarded us the responsibility for operating the software and hospital EDP. This is a project that challenged us both with respect to time and contents and which was completely successfully in collaboration with the customer. Further enhancement of the system is pending, which we are going to implement with enthusiasm.

We have demonstrated over the past months that NEXUS is in a very good position to handle large projects successfully. We have increased the professionalism of interaction between our product areas in many projects and intensified collaboration with customers. As a result, we believe that we are well equipped to generate additional growth.

An improvement process in 2014 was also carried out in customer service in this sense, which we revised fundamentally last year. Service processes were made leaner, and we structured addressing customers to be much more direct. This is a change process, which we started together with the NEXUS customer group (INUG) and which we will continue in 2015. We have to demonstrate here that we can fulfill support requirements successfully, which are associated with the increased digitalization of hospitals using our projects.

Group Result before Taxes in millions of EUR
2006 – 2014



Sales

Total sales increased to EUR 80.15 million (previous year: EUR 73.26 million) in the reporting year. Compared to the previous year, sales thus increased by approx. 9.4 %.

Sales in the Healthcare Software Division grew by 8.5 % to EUR 70.44 million (previous year: EUR 64.94 million). In the Healthcare Service Division, we were able to achieve EUR 9.71 million following EUR 8.32 million in the 2013 (+16.6 %). International business represented a share of 38.4 % in the total Group in 2014 following 42.8 % in the previous year.

Innovations

We continued our program started in 2010 for expanding our market activities.

The program objective is to expand the position NEXUS in terms of contents and internationally.

To this end, we have greatly expanded the segments "Senior Citizen Homes and Rehabilitation Institutions", "Operation Theaters", "Central Sterilization" and "Special Diagnostic Systems" with company acquisitions and our own developments. In 2014, we expanded our portfolio and our international presence with additional acquisitions:

We purchased a majority share of proLohn GmbH, Singen, in September, a company active in human resources management. Thanks to this acquisition, we will be able in the future to offer our customers programs for more efficient structuring of their HRM processes and ensure far-reaching integration into our information systems. This is an area, in which we expect substantial potential in hospitals.


NEXUS / RIS:
The new generation
Our customers achieve peak values in efficiency and user satisfaction with the new RIS generation.
Fast, focused and easy

We also acquired a majority share of Marabu EDV-Beratung und -Service GmbH, Berlin, in September. Thanks to this purchase, we have been able to enhance our portfolio by an Enterprise Content Management (ECM) solution. With approx. 40 employees and installations in more than 100 hospitals, the company is one of the market leaders for ECM solutions in the German healthcare sector. NEXUS is enabling its customers with this product enhancement to integrate archiving processes completely into NEXUS / HIS and NEXUS / DIS as well as to get everything from one source.

We also acquired all shares of CS3I S.A.S, Creuzier-le-Neuf (F), in October. The company has approx. 35 employees and is the market leader for digital patient records in private French clinics. Together with NEXUS / OPTIM S.A.S., Grenoble, we expect synergy effects and substantial strengthening of our brand in France.

In addition to our own development of software solutions, the technical and organizational integration of this company remains a focal topic of the NEXUS Group. Our goal is to combine software, know-how and ideas from our European companies to be able to develop and supply better products and solutions for our customers.

We invested a total of approx. EUR 12.9 million in software development, i.e., approx. 16 % of sales revenue, last year. In this context, we had different focal points in product development. Strong focus was on the product series NEXUS / MOBILE, i.e., mobile applications that can be integrated seamless into NEXUS software applications and enable new efficiency potential in healthcare institutions. We expect a big leap in demand here over the coming years. We also invested greatly in the "Intensive Care Module" (NEXUS / PDMS), the “Radiology Information System" (NEXUS / RIS) and the project family "CWD Cardiology" and its internationalization.

The investments in our new operating concept (NEXUS / NG) are especially significant for the NEXUS Group. We are developing a completely new user interface for our users on one hand. On the other hand, this development makes it possible for us to standardize the technological base and the interface structure of NEXUS systems.

Results

Despite considerable investments for the newly acquired companies and substantial investments in product development, we were also able to increase our result figures very substantially in 2014 once again.

We recorded a Group result before taxes of EUR 8.24 million following EUR 6.70 million in the previous year (+23.1 %), and Group consolidated net income after taxes was EUR 8.11 million following EUR 6.84 million in the previous year (+18.5 %). The EBITDA amounted to EUR 15.0 million following EUR 13.6 million in the previous year (+10.5 %).

The renewed increase in cash flow from on-going business operations by 10.0 % to EUR 11.6 million (previous year: EUR 10.54 million) must be emphasized. Cash funds of NEXUS Group increased to EUR 22.6 million on 31 December 2014 (2013: EUR 23.8 million).

The Healthcare Software Division was able to increase its segment result by approx. 32.7 % from KEUR 5,801 to KEUR 7,700. Sales in the Healthcare Service Division declined by 55.2 % from KEUR 739 to KEUR 331. The products developed positively for the most part within the segments. This applies to "Long-Term Care (NEXUS / HOME)" and "Diagnostic Systems (NEXUS / DIS)", but also to our subsidiaries in Switzerland, Austria and France.

The incidental procurement costs of company acquisitions as well as purchase price adjustments had a negative impact on results.

The NEXUS team is extremely satisfied with the results and the course of the fiscal year 2014. This applies especially against the background of the strong growth and result improvements of the past years and the continual development of our sales and results.

We are going to invest more strongly in our service processes in 2015 and achieve measurable improvement of customer satisfaction on all levels. Our service quality has to keep pace with the growth and innovative force of the company.

The year 2015 will also stand for the integration of the acquired companies. The focus will be on integrating products. We want to integrate the systems into each of our core markets and demonstrate the product strength of the NEXUS Group. At the same time, we want to share know-how, software and processes between the markets intensively to have a strong basis for further development of the systems.

Capital market

The capital market also honored the good development of NEXUS AG in 2014 and displayed a great deal of interest in our stocks. Our stock price increased to € 12.10 (closing price on 30 December 2014, Xetra) at the end of 2014.

We carried out a capital increase at the start of 2015. A total of 630,515 share certificates without a par value were issued from approved capital at a price of 13.95 EUR with exclusion of subscription rights. As a result, we continue to be able to increase the market share of NEXUS AG in Europe further with selective company acquisitions.

Dear stockholders, the NEXUS team thanks you for your trust and loyalty to our company. We want to continue the good development of the past years together with you, our customers, employees and partners.

Warm regards,

Dr. Ingo Behrendt
Chief Executive Officer

Edgar Kuner
Development Chairperson

Ralf Heilig
Sales Chairperson

Highlights.

January: Ortenau Hospital in live operation with NEXUS / HIS at all sites
With the Lahr and Ettenheim sites, all 10 sites of Ortenau Hospital are in live operation with a NEXUS / HIS central system.

February: Lower Austria State Hospital Holding introduces NEXUS / SPM
With NEXUS / SPM and NEXUS / CURATOR, the Lower Austria State Hospital Holding controls supply of sterilized materials to the n4 Lower Austrian hospitals via two logistics centers.

March: Pallas Hospitals bet on NEXUS complete hospital solution
The private hospital group Pallas Hospitals, Olten (CH), decided in favor of the Swiss complete solution from NEXUS after an approx. one-year evaluation process. All administrative and medical processes are supported centrally and used in the 11 hospitals.

May: NEXUS General Contractor in Marien Hospital Gelsenkirchen
NEXUS replaced the old systems and took charge of general responsibility for the IT infrastructure in Marien Hospital in Gelsenkirchen in only a few months.

June: Altmark Hospital decides in favor of NEXUS / HIS
Altmark Hospital located in Gardelegen and Salzwedel decides in favor of NEXUS / HIS.

July: The VAMED rehabilitation centers St. Veith and Oberndorf start live operation with the NEXUS / REHABILITATION solution
Two addition rehabilitation clinics of the VAMED Group in Austria started live operation. The customer implemented the project itself for the most part.

August: Curagita AG introduces the newest RIS software generation.
Curagita-IT introduces the newest NEXUS / RIS software generation in five Hamburg radiology wards. This is a first step on the way to an integrated Curagita RIS system, in which numerous doctors' offices and hospital radiology wards are to be integrated.

September: NEXUS acquires archiving specialists in the healthcare system
NEXUS purchased the majority of the shares of Marabu EDV-Beratung und -Service GmbH, Berlin, on 25 September 2014. With approx. 40 employees, the company is one of the market leaders for archiving software in the healthcare sector.

October: NEXUS acquires French HIS specialists
NEXUS AG, Villingen-Schwenningen, purchased 100% of the shares of CS3i SAS, Vichy (F), on 30 October 2014. With approx. 35 employees, the company is the market leader for hospital information systems in private French clinics.

November: NEXUS in live operation in OMP in the canton of Geneva
The Office médico-pédagogique – OMP is in live operation with the new NEXUS/HIS. The system is used for structuring and optimizing client-related administration and treatment processes.

December: Potsdam Hospital decides in favor of the uniform diagnostic software solution from NEXUS
The integration of almost all medical devices in the hospital and semi-automated diagnosis documentation for numerous wards and departments are among the tasks presented. NEXUS is going to implement this very innovative project with the software solution CWD.

Innovations in medical informatics: we still have a long way to go to reach our goal!

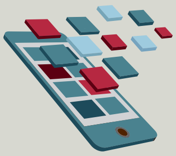
Doctors, nurses and even patients expect more support from modern information systems, such as we already provide today, for their work and recovery. NEXUS invested approx. 12.9 million euros in new and improved software products in 2014. Here are a few examples of our development work:

NEXUS / MOBILE

NEXUS has developed a comprehensive mobile concept for NEXUS / HIS, which goes far beyond a simple app development. Device management, app monitoring, secure communication and HIS integration are provided in a closed system and enable targeted expansion of mobile communication.

Innovations 2014 – Numerous new apps:

- Medical case overview
- Wound documentation
- Physician appointment book
- Medical/nursing history



NEXUS / HIS: One click to information

NEXUS / HIS stands for a modern information system focused on users and supports the complete administrative and medical/nursing areas in hospitals. The special feature: NEXUS/HIS also integrates all solutions for special diagnostic wards such as endoscopy and radiooncology as well as software for monitoring instrument sterilization.

Innovations 2014:

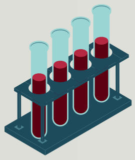
- Re-design of the complete OP management process including integration of an anesthetics solutions.
- Process integration of the E&L diagnosis module in special diagnostics
- Enhancement of the NEXUS outpatient module incl. fast status change, schedule to-do lists and drug lists.
- Integration of the Marabu archive core in NEXUS / HIS.

NEXUS / OBSTETRICS: Gynecological and Obstetrics Software

Obstetrics software with complete documentation from the first day of pregnancy until discharge from the obstetrics clinic. Used in more than 300 clinics, the module is available as separate solution or integrated into NEXUS / HIS.

Innovations 2014:

- New case history module for improved overview of the course of pregnancy.
- New support in the ½-hour visual CTG assessment with automatic FIGO score calculation.
- New prescription/administration options for drugs and infusions in partograms.



NEXUS / PATHOLOGY: The Newest Generation

This module controls the processes in pathology from material entry all the way to billing. NEXUS / PATHOLOGY is employed in more than 350 institutes and hospitals integrated into NEXUS / HIS or as a separate solution.

Innovations 2014:

- Dispatcher function for efficient distribution and release of examination orders.
- To-do lists for follow-through of processing status and degree of completion.
- KV-SafeMail for encrypted sending of diagnoses and automatic sending of e-mail invoices.

NEXUS / PSYCHIATRY: An HIS Specifically for Psychiatry

NEXUS provides a complete solution for psychiatric institutions from treating patients to key figure management for institution management. The product is highly specialized and the market leader in Germany with more than 150 customers.

Innovations 2014:

- New, enhanced patient chart.
- Integration into the NEXUS dictation system.
- Substitution-supported treatment (outpatient drug dispensing).

Clinic WinData (E&L): Intelligent Special Diagnostics

The intelligent diagnostics software for special diagnostics from NEXUS makes it possible for doctors to establish findings quickly and in high quality in the areas of endoscopy, cardiology, sonography and ophthalmology. The strength of the solutions is in the intelligent diagnostic support for doctors and in equipment integration. These are functions, which have made the product CWD into the market leader in this area.

Innovations 2014:

- Graphic cardiac catheter module for fast, expert diagnosis in cardiology.
- MEDICS – hospital-wide device server for connecting all medical devices.
- SMARTBOX – mobile image and video recording of medical devices with interface to administration and diagnosis software.

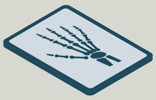
Ralf Heilig
Sales Chairperson

THE NEW NEXUS / RIS / PACS: A Great Leap Forward in Efficiency in Radiology

We have obviously made a very positive impression on the market and users with the new NEXUS radiology solution, an integrated RIS / PACS solution. Maximum user-friendliness, extremely time-saving and completely adapted to the workflows in radiology.

Innovations 2014:

- Integration of the NEXUS dictation system in NEXUS / RIS.
- Certification of all billing modules (health insurance, employees' insurance, doctors' bills for private health treatment and institute bills).
- Entry of services performed in nuclear medicine and integration of the NUK laboratory.
- RIS / PACS integration: IHE-conform DICOM backend, new diagnosis workstation with MIP / MPR (3D) and Cinemode view.

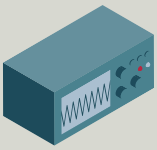


NEXUS / MEDICATION: Safety in Dispensing Drugs

The medication process is one of the essential hospital processes and is supported comprehensively by NEXUS / MEDICATION: Prescribing, checking, providing and monitoring. The module is integrated into NEXUS / HIS and provides a profession-overlapping view of patient medication.

Innovations 2014:

- Fast prescription dialog box for drug prescriptions at the intensive care unit.
- Substitution-supported treatment (outpatient drug dispensing).
- Linking of other AMTS check systems.



NEXUS / PDMS: The Integrated Intensive Care Module

NEXUS / PDMS is an intensive care solution integrated completely into HIS with all functions required in an intensive care ward. The advantage: All intensive care information remains in the HIS and customary software operation is maintained.

Innovations 2014:

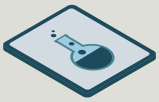
- New functions for supporting decision-making: Alert Management, Score Server (SIRS, HIT, Rifle Score).
- Complete solution in intensive care for drugs, automated fluid management and configurable water balance.
- Complete concept for ward-overlapping case management and documentation.

NEXUS / HOME: The New Home Solution

NEXUS / HOME stands for a complete home information system, which contains the functions finances, resident management, treatment management and staff deployment. More than 400 senior citizen homes already use the "complete home solution".

Innovations 2014:

- Domis EPA: Accelerated patient registration process, information exchange with inpatient and outpatient facilities.
- Domis tacs: Standardized overview of key management figures in senior citizen homes.
- Enhanced nursing deployment scheduling for the German market.

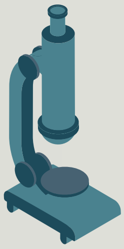


NEXUS / STERILIZATION: Focusing on Hygiene Processes

NEXUS has developed a solution with the software NEXUS / SPM, which supports the complete workflow of sterilized material supply and consequently provides an essential contribution to secure hygiene in hospitals. Completely integrated into the OP process, NEXUS / STERILIZATION ensures gapless documentation of the sterile materials process. The solution has been installed in more than 220 hospitals in the meantime.

Innovations 2014:

- Interface to OP documentation systems with respect to sterilized materials used and their risk classification.
- SAP interfaces for transport logistics and financial accounting.
- Integration of business intelligence functions.
- Support of certification workflows, e.g., regulatory reporting and complaint management.



NEXUS / Cytology: Fast!

Support of workflows in routine operations with high utilization of capacity is the focus of the new cytology solution. NEXUS / CYTOLOGY was developed in close collaboration with cytologists. The result is a modern software solutions adapted specifically to the needs of working in cytology

Innovations 2014:

- "All-in-One Diagnosis": Combining of all cytological findings concerning a patient in one report.
- To-do lists for workflow control.
- Optimized diagnosis printout with routing calculation and sorting.

NEXUS / REHA: The Complete Solution from Admission to Discharge

NEXUS / REHA supports the complete course of treatment during rehabilitation. Close networking of medical, therapeutic and administrative processes is a core element of the solution.

Innovations 2014:

- The DRV (German Pension Insurance) discharge report 2015 is completed integrated into the solution.
- Patient terminal and questionnaire per touch-screen and Internet.
- Minutes of team meetings and rehabilitation goals according to ICF.

Edgar Kuner
Development Chairperson

Our NEXUS World: Everything at a Glance

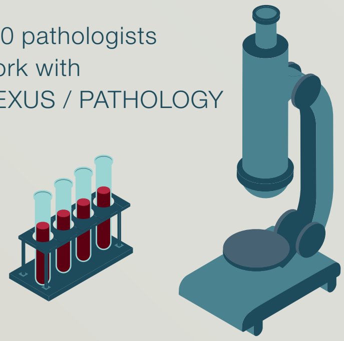
16 customers introduced our digital medication in 2014

189,300 users daily

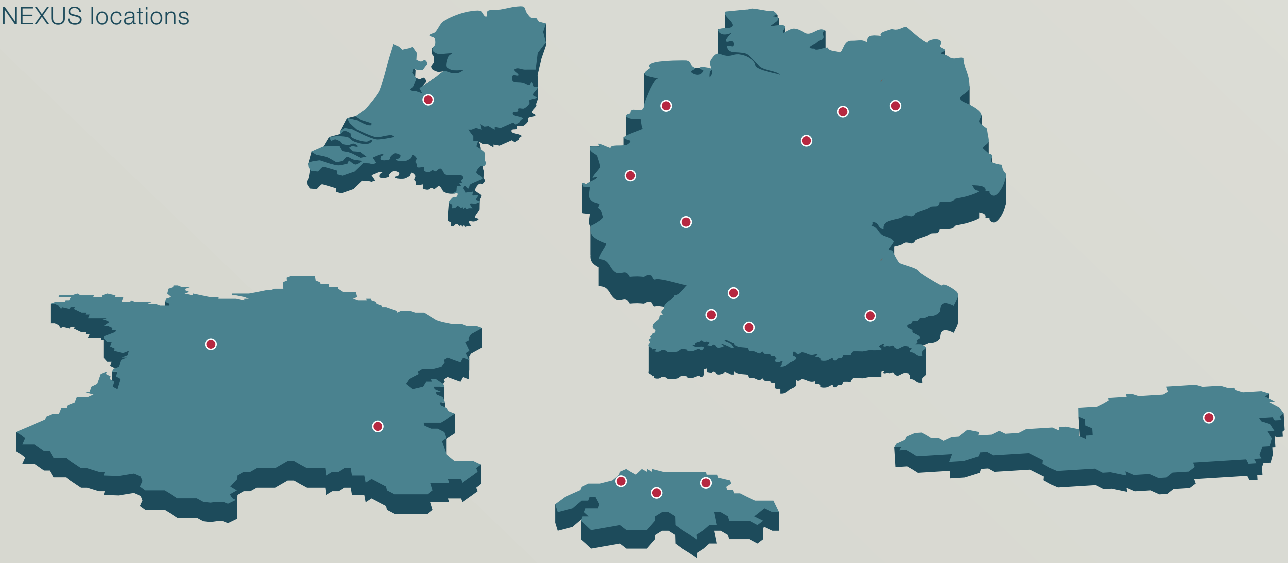
340 hospitals work with our endoscope software solution CWD

276 customers agreed on projects with us in 2014

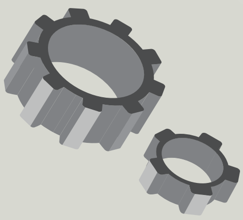
310 pathologists work with NEXUS / PATHOLOGY



NEXUS locations

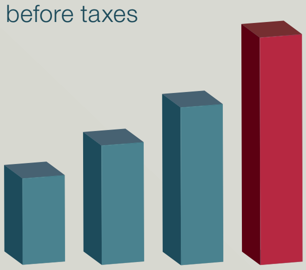


23,1 % increase in EBT



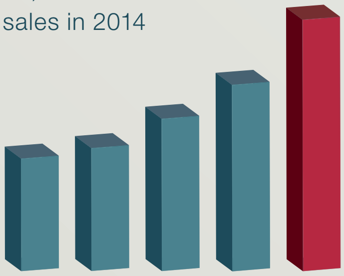
12,884 KEUR invested in new developments in 2014

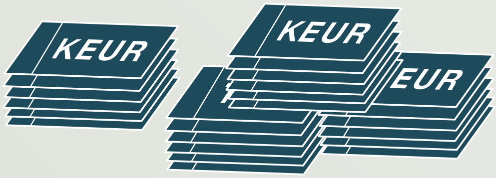
8.243 KEUR result before taxes



EBITDA 15.044 KEUR

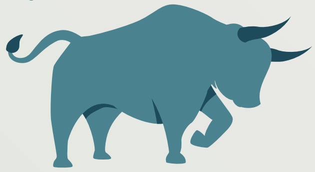
80,147 KEUR
sales in 2014





11.594 KEUR operativer Cashflow in 2014

€ 13,36 highest stock price
in 2014



9.4 % sales increase in 2014

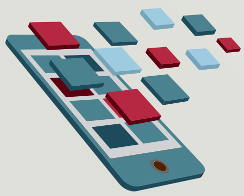
223 developers work on NEXUS software

25 countries,
in which we are
represented

3,115 installations
with NEXUS software

86 % of our employees
work in direct contact
with customers

662 employees overall



18 medical
specialist
modules are
integrated in
NEXUS / HIS

13 co nventions & 22 trade fairs
in Germany, Austria, France and
Switzerland.

Report of the Supervisory Board

The Supervisory Board was informed promptly in written and oral reports at regular intervals by the Executive Board about the respectively current development of business, the risk situation and especially about important events in the business year 2014. The Supervisory Board has fulfilled its checking and monitoring obligations. The business transactions submitted for approval to the Supervisory Board due to legal and company statutes were checked and discussed with the Executive Board. In addition, the Chairperson of the Supervisory Board as well as his deputy were informed about the course of business at regular intervals. As previously, the current Supervisory Board members are Dr. Hans-Joachim König (Chairperson), Prof. Dr. Ulrich Krystek (Deputy Chairperson), Wolfgang Dörflinger, Matthias Gaebler, Erwin Hauser and Prof. Dr. Alexander Pocsay.

The Supervisory Board convened four regular meetings in the business year 2014. In these, the Supervisory Board dealt above all with the current business situation, further strategic development as well as possible and current company acquisitions. The chances and risks of acquisition candidates were discussed intensively. In addition, Supervisory Board resolutions were passed within the context of telephone conferences on 15 September 2014 and 29 October 2014, which dealt with final approval of the company acquisitions previously approved on principle in the ordinary Supervisory Board meetings.

The Supervisory Board dealt in depth the topic of “Corporate Governance” in its session on 16 December 2014, especially with the German Corporate Governance Code. The Supervisory Board passed a resolution about the common correspondence statement of Supervisory Board and Executive Board in line with Clause 161 of the German Stock Corporation Law. The corresponding declaration is published in the Internet at www.nexus-ag.de.

None of the Supervisory Board members was absent at more than half of the Supervisory Board meetings. The Auditing Committee created by the Supervisory Board met once in the business year 2014.

Parallel to the Auditing Committee, the Human Resources Board met once during the business year 2014 and proposed to the Supervisory Board to conclude concrete employment contracts with the current Supervisory Board members for the time starting from 1 January 2015, which the Supervisory Board then authorized. In addition to the Auditing Committee and the Human Resources Board, the Supervisory Board did not have any other committees in the business year 2014.

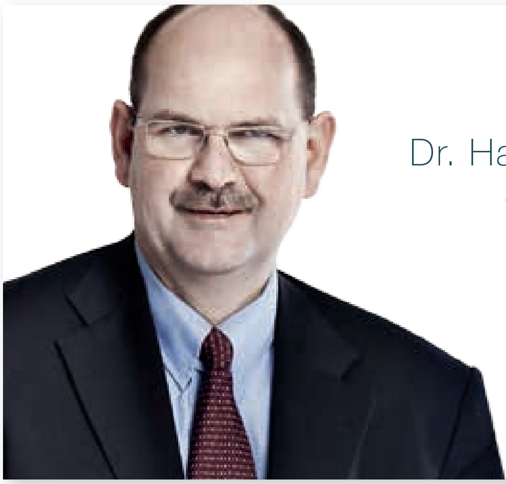
The Annual Financial Statement drawn up by the Executive Board of NEXUS AG, the Status Report, the Group Financial Statement and Group Status Report for the business year 2014 were audited with inclusion of the accounting of KPMG AG, Auditing Firm, Freiburg im Br. branch. KPMG AG was appointed auditor of NEXUS AG as well as of the NEXUS Group for the business year 2014 at the annual general meeting on 16 May 2014 and consequently appointed to conduct this audit. The auditors did not raise any objections and confirmed this in an unrestricted audit certificate. The Annual Financial Statement documents and the auditing report were submitted to the Supervisory Board on time; it checked them thoroughly and discussed them in detail in the meeting of the Auditing Committee and the Supervisory Board of 20/23 March 2015. The auditor also took part in the financial audit committee meeting and in the meeting on 20/23 March 2015 of the Supervisory Board, and the auditor reported about the essential results of the audit and answered any questions.

On the basis of the check of the Audit Committee and its own audit, the Supervisory Board approved the result of the check of the audit with a resolution of 20/23 March 2015. No objections were raised following the final result of the check by the financial audit committee and the check by the Supervisory Board. The Supervisory Board assessed and approved the Annual Financial Statement and the Status Report of Nexus AG drawn up by the Executive Board, the Group Financial Statement and Group Status Report as of 23 March 2015.

The Supervisory Board would like to thank the staff and the Executive Board of the company for their work and their high degree of personal dedication to the NEXUS AG and all associated companies. The Supervisory Board would also like to express its congratulations for another successful business year.

Villingen-Schwenningen, 23 March 2015

Dr. Hans-Joachim König
Chairperson of the Supervisory Board



Dr. Hans-Joachim König
Chairperson of the
Supervisory Board

Our NEXUS-Management-Team

Hans-Peter Wutzke
NEXUS AG

Stefan Born
NEXUS / CIS

Frank Schneider
NEXUS / CIS

Roland Popp
NEXUS AG

Uwe Hannemann
E&L / NEXUS

Edgar Lehmann
E&L

Martin Matuschyk
NEXUS / IT

Patrick Stein
NEXUS AG

Klaus Fritsch
NEXUS / DIS

Sylvia Unger
ASS.TEC

Ivo Braunschweiler
NEXUS / SCHWEIZ

Ralf Kipper
VEGA

Thomas Lichtenberg
Marabu

Ralf Günther
Marabu

Jorge de Azevedo
CS3I

Jean-Marc Trichard
NEXUS / OPTIM

Consolidated Report for the Business Year 2014

Basic Principles of the Group[1)]

Business model

NEXUS develops, sells and services software solutions for hospitals, specialist clinics and nursing homes.

- NEXUS / HIS: Complete information system for somatic hospitals
- NEXUS / PSYCHIATRY: Complete information system for psychiatric institutions
- NEXUS / HOME: Complete information system for senior citizen homes and nursing home chains
- NEXUS / REHA: Complete information system for rehabilitation institutions
- NEXUS / HOSPIS: Complete administration information system for Swiss hospitals
- NEXUS / DIS: Interdisciplinary diagnostic information system
- NEXUS / GYNECOLOGY: Information system for obstetric institutes and gynecology
- NEXUS / PATHOLOGY: Information system for pathology and cytology institutions
- NEXUS / RADIOLOGY: Radiology information - (RIS) and image system (PACS) for radiology departments and offices
- NEXUS / INFORMATIONSTORE: Management information systems for hospitals
- NEXUS / QM: Informationssysteme für das Qualitätsmanagement im Gesundheitswesen
- NEXUS / SPM: Information systems for quality management in the healthcare system
- NEXUS / IS: Integration server for interface management of hospital Information systems
- NEXUS / IT: Outsourcing solutions in healthcare
- Clinic WinData: Information system for medical diagnostics and device integration
- ASS.TEC: Process and HR consulting in an SAP environment
- Asebis: The complete hospital solution for the Swiss market
- PEGASOS: Archiving and process management in the healthcare system
- E-med: Web-based hospital information system for French healthcare institutions

[1)] Based on the error corrections pursuant to IAS 8.41 ff., the comparative figures have been adjusted (cf. Appendix number 2.3).

IT solutions for problems of customers in the healthcare area are adapted and specific processes are depicted as well as specific services provided. NEXUS sells software solutions, installs them at customers' and handles maintenance of the solutions in the sense of further development and consulting.

The software architecture is modular, open and service-oriented. The service orientation of the products makes it possible to integrate functions (services) also into third-party products. In this way, regular customers and newly acquired companies can profit directly from additional functions.

The various modules of the software solution are used for improving administration processes, billing processes and course of treatments as well as for optimizing the quality of the documentation of patient data. The goal of our products is to offer tools to our customers in the healthcare system, with which they can digitalize, accelerate and improve the quality of their business processes. IT outsourcing solutions round out the performance range.

The NEXUS Group is represented at the sites Villingen-Schwenningen, Aachen, Berlin, Böblingen, Erlangen, Frankfurt (Main), Hanover, Ismaning, Jena, Ratingen, Singen (Hohentwiel), Vienna (A), Wallisellen (CH), Altishofen ((CH), Basel (CH),Lugano (CH), Lucerne (CH), Grenoble (F) and Creuzier- le-Neuf (F). NEXUS AG sets the decisive strategic orientation of the Group.

Control system

NEXUS Group is divided into two segments ("Healthcare Software" and "Healthcare Services") and into various subsidiaries within the segments (business areas). Each business area has its own business model. The basis of the business area strategies are the product program, market, technology and sales strategies of the complete Group. The segments and business areas are controlled via measurement of three uniform key figures (according to local accounting standards): "sales", "result before taxes" and "relative market position". "Relative market position" denotes the development of segment or business area relative to the essential competitors, measured by the number of bids won insofar as this information is available. The Executive Board checks the key figures quarterly.

Research and Development

NEXUS Group does not conduct any research, but instead only software development. In 2014, investments were especially made for developments for the products NEXUS / HIS, NEXUS / KIS and NEXUS / KIS ng. Additional supplementary products were developed new and launched on the market directly. The "Next Generation Software" is being developed at NEXUS AG, is also contained organizational in NEXUS AG and is supported by the establishment of a separate development group.

Development costs in the amount of KEUR 4,687 were capitalized in 2014 (previous year: EUR 4,514). In addition, development costs were incurred from company acquisitions in the amount of KEUR 1,781. In addition to the cited new products, the developments capitalized in 2014 also contain performances, which are connection with the further development of existing NEXUS products.

Development investments, which can be capitalized, amounting to approx. KEUR 4,300 are planned for the business year 2015. A total of 223 people were employed in the development sector at the end of the fiscal year (previous year: 210). A total of KEUR 12,884 (previous year: EUR 11,540) were spent for development. Of the sales in 2014, KEUR 14,985 (previous year: KEUR 13,862) are thanks to license revenue.

Report on the Economic Situation

Overall Economic and Industry-Related General Conditions

NEXUS sells mainly to customers in the public healthcare system domestically and abroad with focus on Germany, Switzerland, Austria and France. Consequently, it is strongly dependent on the developments of budgets and structural changes of the healthcare system in addition to the competitive situation. However, there is no direct dependence on business trends. In the long term, the crisis of public budgets in many European countries can result in reducing the growth expectations of NEXUS AG. There cannot be any prediction made with certainty concerning these developments at this time, because the general conditions can change very quickly, especially the development of government budgets. The developments in other regions are also subject to uncertainties.

However, “optimization of healthcare facilities using modern information systems” remains a pivotal item on the priority list of the healthcare system in almost all countries.

Technology Trends

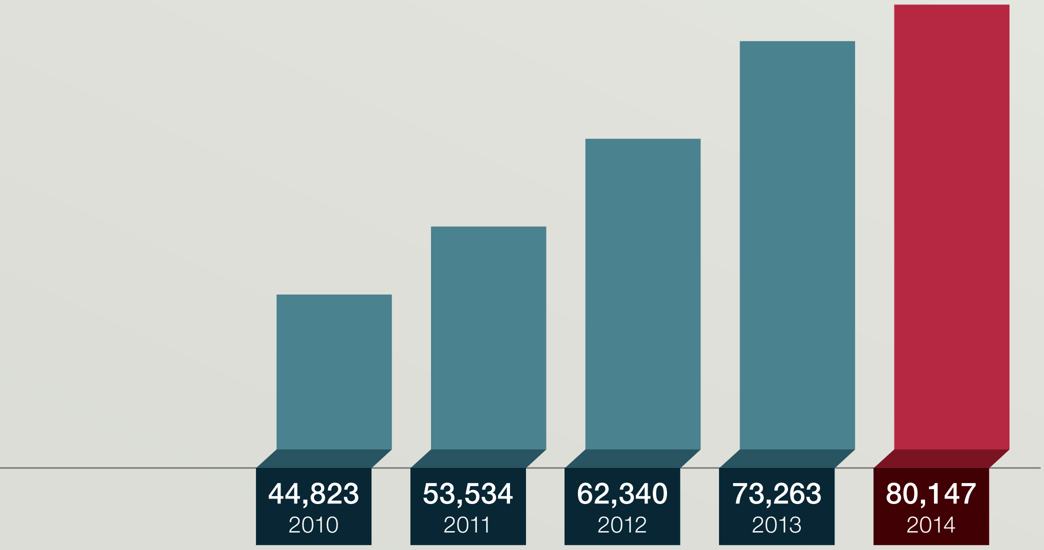
Observing information technology trends and developments is extremely important for the strategy of NEXUS. We see clear changes of the technological environment in 2015, which are significant for our technology strategy:

Trend: “Computing Everywhere”

User can use computing power in almost every daily situation today. Computer access is available everywhere in this sense. Users continue to bet on mobile terminals of different types. According to Gartner (2014), providers are “increasingly losing control of terminals at users'” in this context and have to confront and differentiate between user-experience design and the utilization context of their apps and software to a greater degree. This also applies to hospitals. Large shares of staff use their own mobile terminals or are equipped with them by their employers. Mobile terminals are becoming more diversified, and additional forms, interaction options and user contexts are being created. NEXUS has to deal with this trend and adapt to new user models in its product range and within its own mobile solutions.

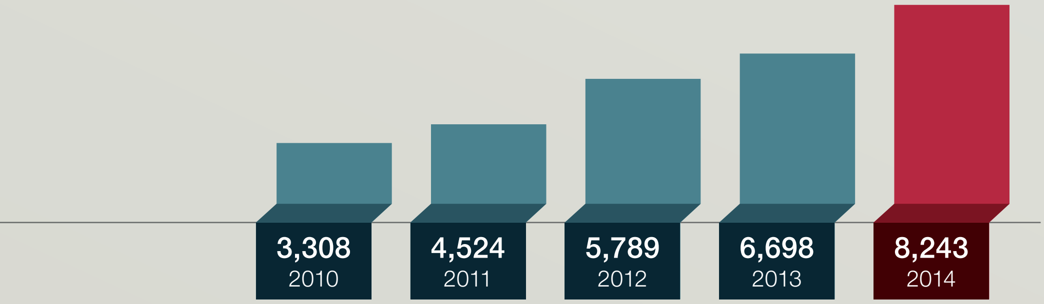
+9.4 % compared to the previous year

Group sales in KEUR



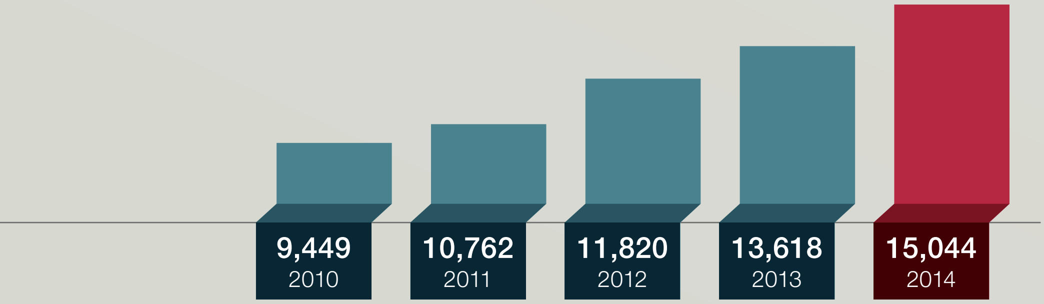
+23.1 % compared to the previous year

Result before tax on income in KEUR



+10.5 % compared to the previous year

EBITDA in KEUR



Trend: “Mobile Apps”

Many experts believe that the significance of mobile apps will continue to grow. The “Mobile Health Market Report 13-17” expects a global market volume of US $1.3 billion for mobile healthcare apps in 2012 and predicts strong increases for the following years. Conventional software programs are being subject to increased pressure and their market is shrinking. The native apps currently still determining the market will be replaced by web apps in the long term according to many experts. Web apps are able in their modern form to replace native apps, even in more complex and context-independent tasks. NEXUS is betting on this trend with its own mobile solution and sees a strongly growing business area there in the healthcare software market.

The significance of the Internet and the networking of systems, people and machines is being demonstrated in a number of sustainable trends, which NEXUS observes:

Trend: “The Internet of Things”

The “Internet of Things” will have a larger share than previously in everyday life of people over the coming years. According to Gartner, more than 25 billion devices will be networked in the Internet of Things by 2020. Growth will be promoted above all by the automobile and entertainment industries. Not only things will be networked in the future, but also people, information and places. In future technology design, ideas have to go beyond networking things such as cars, televisions and sensors, and to develop all potential. NEXUS can use this trend and create new developments in interaction between medical devices and patient software.

Trend: “Intelligent Machines”

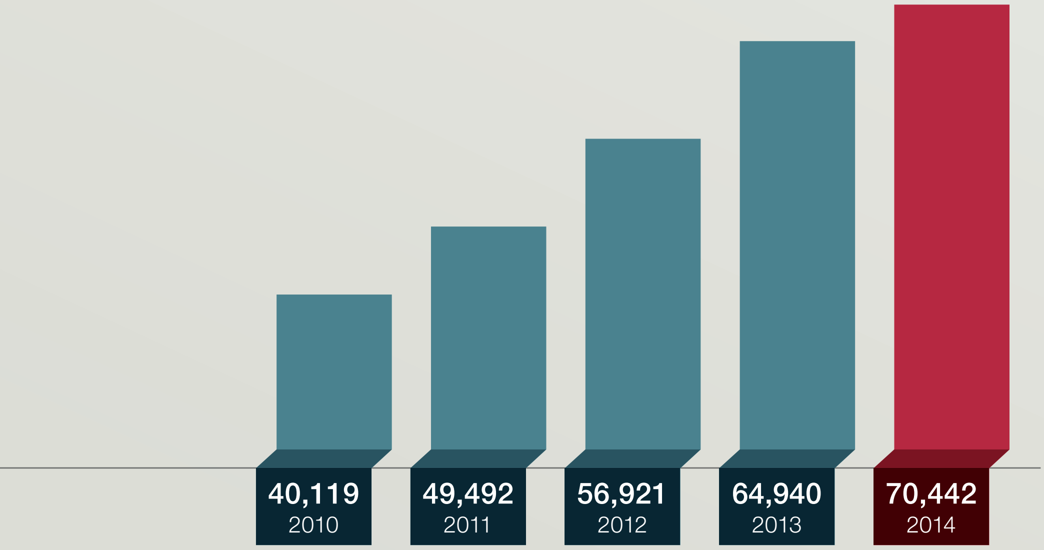
Devices and machines are developing very dynamically with respect to “intelligence”. Autonomous vehicles, clever robots and virtual assistants already exist today. We will see these "smart" helpers even more in the future, regardless of whether they simplify everyday life or improve internal company processes thanks to the combination of context sensitivity, data analysis and autonomous acting. “The era of intelligent machines will be the most disruptive in the history of IT,” Gartner predicts. NEXUS is going to observe this development and assess whether topics such as data entry, goods notifications, warnings or treatment plans can be automated more.

Trend: “Context-Based Systems”

In this connection, systems will also be related more to context and consequently also affect application software. An increasing number of people are using networked systems, which combine information with the help of sensors, learn increasingly and consequently can support users better in their everyday lives. The basis, on which these systems work, is information that is provided by very different sources or sensors. With the help of this information, conclusions are drawn about the context. The determined context is used in the application to adapt its behavior. According to Gartner, this use behavior will increase in the future. Currently available systems are concentrating on local aspects and realizing location-based services. However, location-based services (LBS) are only a special case. More complex, context-dependent systems can become significant in the development of medical applications.

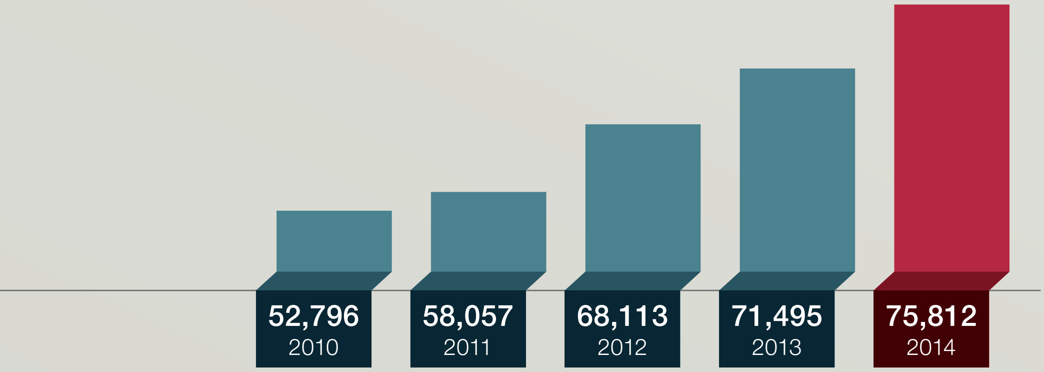
+8.5 % compared to the previous year

Sales in the Healthcare Software Division in KEUR



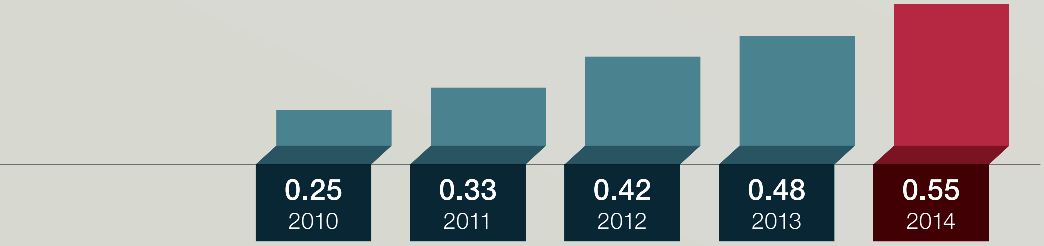
+6.0 % compared to the previous year

Equity capital in KEUR



+14.6 % compared to the previous year

Earnings per share (EPS)



New trends in system development are just as much a focus of our technological screenings:

Trend: "Web-Scale IT"

Traditional software architecture and development platforms belong more and more to the past. Companies required their own, extremely flexible and scalable infrastructures for their in-house processes. The major Internet companies (Amazon, Google and Facebook) have provided examples for this. The path to scalable web applications goes in most case via DevOps (Development and Operations), i.e., synchronizing application development and IT operation. These methods enable significantly faster and more direct system development than previously.

Trend: "Software-Defined Applications and Infrastructure"

IT infrastructure is developing in a similar direction. "Software-defined structures" are cited increasing here. Traditional central infrastructure data centers, which are oriented to providing hardware, network and storage, are being increasingly converted into software- and process-centered structures. In such structures, it is only a matter of the application requirements and no longer the infrastructure in itself. Companies define software applications and the required hardware resources as well as group the requirements to create a "logical application". We currently see that demands for software-defined structures are increasing in the hospital landscape. Hospitals want more flexibility and are no longer willing or able to set up or maintain larger infrastructures.

Trend: "Cloud Computing"

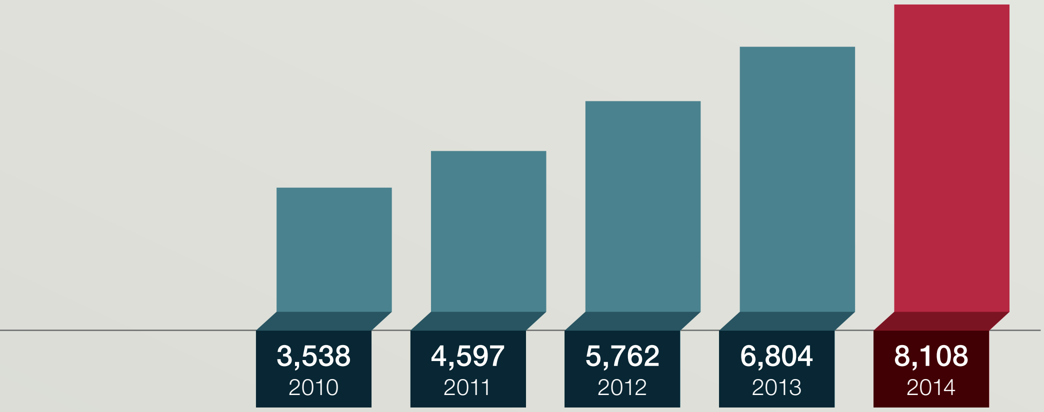
Cloud services are becoming increasingly established, both as applications for private users and IT solutions for companies. According to BITKOM, sales with cloud services will probably increase to 20.1 billion euros by 2016. Hospitals are also analyzing increasingly which tasks are to be shifted to the cloud. The cloud offer is becoming more diversified in this context; topics such as hybrid cloud (merging of personal clouds and private clouds) are becoming more prevalent. Offers for private infrastructures as service (IaaS) will be created, for example. Cloud/client architectures will also play a greater role according to Gartner. Clouds will remain a focal topic at companies over the coming years, not the least because they represent an important pillar of "ubiquitous" computing. Synchronizing contents via various terminals is above all an area requiring work, with which many providers of corresponding software still have to deal intensively. Nexus has stepped up the topic of cloud computing over the past years and implemented a number of successful projects.

Trend: "New Forms of Data Analysis"

Data analysis via big data is a synonym for the continually increasing data volumes, which are fed from very different sources and will grow dynamically further in the coming years. Data quantity, complexity of formats and delivery speed of data processing will put excessive demands on traditional data management in the future; intelligent solutions for storing, analyzing and controlling larger, distributed data quantities will become more and more a decisive competitive factor. An essential implication of big data is that users will no longer be able in the future to keep all meaningful information in one single data warehouse. Logical data warehouses combine information from different sources and will replace conventional models. Companies hope above all for benefits from big data in customer relationships and

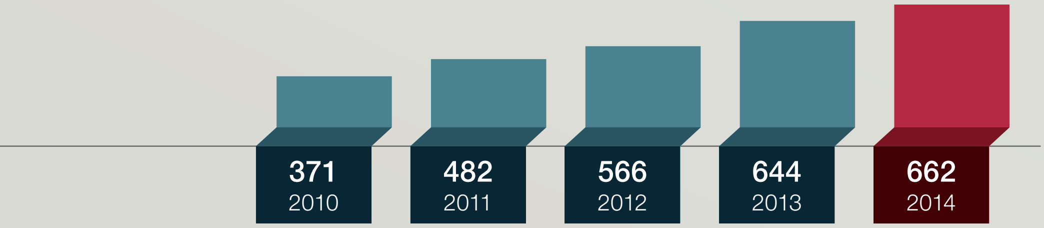
+18.5 % compared to the previous year

Consolidated surplus in KEUR



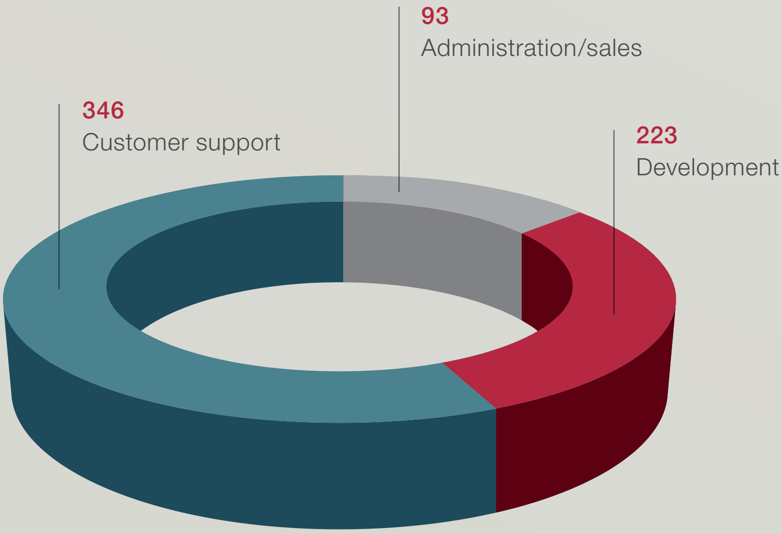
Number of employees

In the NEXUS Group as of 31 December incl. Executive Board



Total of 662 employees

Employee structure incl. Executive Board



product development. According to Gartner, the big data trend is getting a new focus and will be concentrated more on methods and approaches of data analysis in the future. NEXUS is analyzing the possibilities of data analysis in collaboration with its customers, especially with respect to the effectiveness of drugs and therapies. The large data volume in the NEXUS systems provides an interesting basis for this.

Trend: “Risk-Based Security and Protective Measures”
The realization that there is no comprehensive security in the Internet has become very clear over the past years. This also applies to the fact that the attempt to establish this prevents progress. Consequently, Gartner sees the future in the area of web security on the level of application development: "Segments and firewalls no longer suffice; each app has to have conscious and self-protected functions." This trend has special significance for NEXUS in development of medical applications. The security requirements in dealing with patient data will increase and consequently the challenges to our protective measures in software architecture.

Outlook: NEXUS considers the decisive developments of the coming years to be in the areas of mobility, cloud computing and conversion of platforms. As a result, all significant components of the current IT environment are changing. For NEXUS as a supplier of innovative software solutions, it is decisively important to evaluate the developments described above and oriented its own development projects to them.

Competitive Environment

The market for software systems in the medical area is still characterized by tough competition and strong supplier concentration.

This applies to Germany as well as to France, England, Holland, Italy and other European countries. In 2014, the German share of the iSOFT Group, iSOFT Health GmbH, was sold to a local provider of radiology services. The US American provider of healthcare solutions Cerner Corp. also acquire the global healthcare software activities of Siemens AG in 2014. The American company McKesson sold its software operations in Europe to the American private equity company Symphony Technology Group in 2014.

The numerous changes in the competitive environment point to the high dynamics in our market. From our viewpoint, there are only few competitors on the European market in addition to NEXUS, which are considered to have long-term potential. We expect further changes in the competitive environment.

Our biggest sites.

Our biggest company sites are in Germany, Austria, Switzerland, France and the Netherlands.

Trend of Business

Sales and Market Development

The positioning of NEXUS in the healthcare system has been communicated clearly in the meantime, and the order successes have resulted in a high degree of familiarity of the company over the past years. We also pursued further expansion of our sales activities in 2014 and were able to increase sales.

NEXUS AG and its subsidiaries were again very successful in new customer acquisitions in 2014 too. This applies especially to the core markets Germany and Switzerland as well as France.

New customers were acquired in the area of the complete systems NEXUS / KIS and NEXUS / HIS, but also in diagnostic product areas and quality management. The Group company E&L medical systems GmbH is to be emphasized here, which was able to record a significant increase in orders received.

Production and Company Integration

The company divisions of NEXUS did not change in 2014. As previously, business is divided into independent business areas, which are responsible for their product and market activities within the context of Group planning. In addition to the separation into divisions, we also have regional grouping, which mainly refers to the countries Switzerland, Germany, Austria and France.

In 2014, the central offices of Controlling, Marketing and Development were expanded further within the Group.

A few changes were made to the investment structure in 2014:

- NEXUS AG purchased a 51 % interest in proLohn GmbH, Singen Hohentwiel, on 8 September 2014.
- NEXUS AG purchased 93 % of the shares of Marabu EDV-Beratung und -Service GmbH, Berlin, on 24 September 2014. There are forward and put-options on the remaining 7 %. The company was integrated completely into the consolidated financial statements using the anticipated-acquisition method.
- Die NEXUS / OPTIM S.A.S, Grenoble (F), purchased 100 % of the shares of CS3I S.A.S., Creuzier-le-Neuf (F), on 30 October 2014.

Growth and Operating Result

With sales of EUR 80.1 million, NEXUS AG surpassed its previous year's sales of EUR 73.3 million by a considerable amount. The result before taxes increased from EUR 6.7 million in the previous year (adjusted) to EUR 8.2 million. The market position of NEXUS AG has improved further thanks to the new orders, especially in Germany, Switzerland and France. As a result, last year's predicted figures have been achieved and even slightly surpassed.

Customer Contacts of NEXUS.

We have 13 congresses & 22 trade fairs in Germany, France, Austria and Switzerland in 2015.

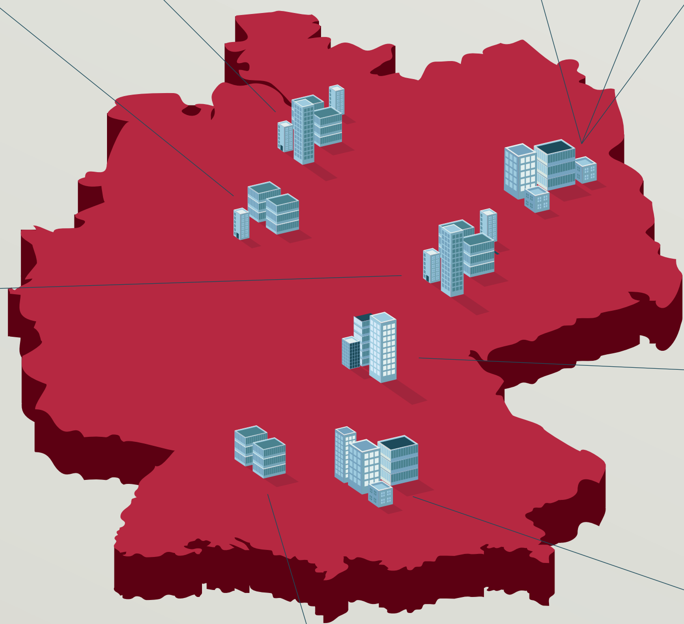
X-Ray Congress, Hamburg
NEXUS / RIS
NEXUS / PACS

Perinatal Congress, Berlin
NEXUS / GYNECOLOGICAL

KTQ-Forum, Berlin
NEXUS / CURATOR

Gerontic Nursing, Hanover
easyDok
NEXUS / CURATOR
AMBULANT CARE
DUTY SCHEDULING
NEXUS / HOME
CARE DOCUMENTATION

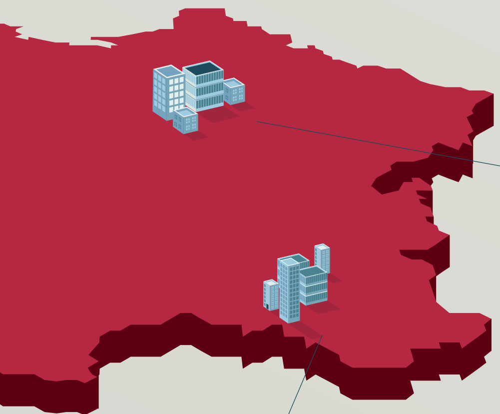
conhIT, Berlin
NEXUS / HIS
NEXUS / RIS
NEXUS / SPM
NEXUS / CURATOR
NEXUS / MOBIL
NEXUS / REHA
NEXUS / MIS
NEXUS / PDMS



Congress of the German Interdisciplinary Association for Intensive Care and Emergency Medicine, Leipzig
NEXUS / PDMS

Bamberger Morphology Days
NEXUS / PATHOLOGY

Colloquium of German Pension Insurance
NEXUS / REHA



HIT, Paris
NEXUS / SPM
NEXUS / OPM

INUG, Ludwigsburg
NEXUS / HIS

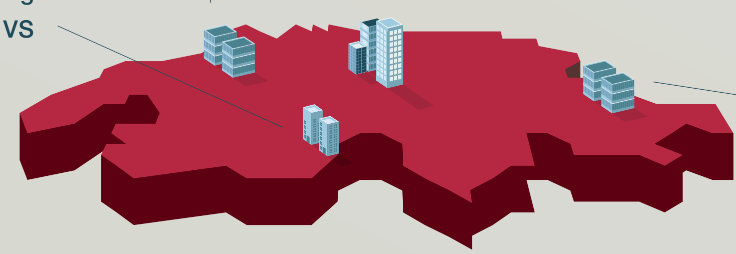
Journée nationales de la Stérilisation, Marseille
NEXUS / SPM

Residenz au Lac, Biel BE
See BRIG VS

Hotel Radisson Blu, Luzern
ASEBIS PERSONAL
EPA
ASEBIS SMART

Austrian Society for Provision of Sterilized Materials: Specialist Congress
NEXUS / SPM

Customer event Senior Citizen and Nursing Homes Santa Rita, Brig VS
HEIM.NET
PERONSAL.NET
EASYDOK
FINANZ.NET
EPA
CMS CONTENIDO



Customer event Residences for Senior Citizens Kantengut, Chur
See BRIG VS

Securities market, event and finance data 2014

Investor Relations

Active communication with our stockholders, potential investors, analysts and the finance market are the focal point of our investor relation activities. We continually inform all market participants promptly and comprehensively via press releases and ad hoc announcements as well as the mandatory quarterly, semi-annual and annual financial reports.

In addition, we cultivate intensive dialog with institutional investors and finance analysts via telephone conferences, one-on-one meetings and on roadshows. Our Investor Relations team is of course at your disposal as contact persons.

Stock Market Prices (closing prices Xetra)

	2014	2013	2012	2011
Highest	13,36	11,18	9,55	7,35
Lowest	10,50	8,63	6,53	4,64
Stock Market Capitalization (business year in millions of euros)	182,8	163,9	138,59	99,13
Result per share in euros (average)	0,55	0,48[1)]	0,42	0,33

[1)] Refer to Number 2.3.

15 May 2015
Quarterly Report Q1/2015

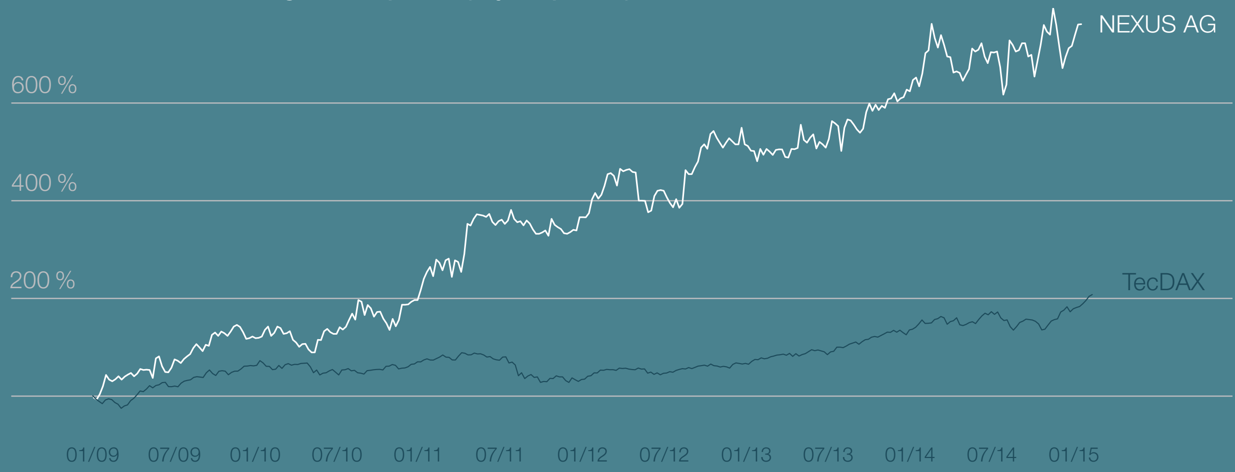
18 May 2015
Annual Stockholders Meeting 2015

18. August 2015
Semi-Annual Report 2015

10 November 2015
Quarterly Report Q3/2015

23 – 25 November 2015
German Equity Capital Forum, Frankfurt

Frankfurt Stock Exchange stock prices (5-year period)



The sales focus of NEXUS in 2014 remained in the Healthcare Software Division. Compared to the previous year, the division again increased sales by approx. EUR 5.5 million to EUR 70.4 million. The international share of business was 38.4 % in 2014 (previous year: 42.8 %) of total business volume. Our activities in foreign countries are an essential component of our business. We invest considerably into development and production for foreign markets as well as consider possible company acquisitions to simplify entry into markets. International business is currently especially concentrated on the Swiss, French and Austrian markets. Sales effects from exchange rate fluctuations compared to 31 December 2013 especially concerned Swiss francs. The average exchange rate of the Swiss franc was € 1.22 in 2014 and € 1.23 in 2013. The effect on sales of the exchange rate changes amounts to KEUR -246 in 2014 (previous year: KEUR 506).

Business increased by approx. 17.9 % in Germany and sales reached KEUR 49,381 following KEUR 41,885.

Additional sales effects were consolidated in the amount of KEUR 2,245 due to initial consolidation of proLohn GmbH, Singen, Marabu EDV-Beratung und Service GmbH, Berlin, and CS3I S.A.S., Creuzier-le-Neuf (F). The sales of NEXUS Group would have been correspondingly lower without the initial consolidation of these companies.

Our growth and revenue situation were steered based on the key figures in “sales”, “result before taxes” and “relative market position” in the short-term income statement of the Group subsidiaries.

Assets, Finances and Profit Situation

The NEXUS Group had consolidated sales of KEUR 80,147 in 2014 following KEUR 73.263 in 2013. This represents an increase in sales of KEUR 6,884 (+9.4 %). The increase in personnel expenses from KEUR 40,955 (adjusted) to KEUR 43,598 resulted from the increased number of employees. Due to the increase of services from third parties in the area of software maintenance and licenses, material expenses increased from KEUR 13,815 to KEUR 15,519. The net effect from the adjustment of conditional purchase prices burdened the result in the amount of KEUR 329. The EBITDA 2014 reached KEUR 15,044 following KEUR 13,618 in 2013 (10.5 %). As a result, NEXUS AG has improved the EBITDA for the 14th year in succession on an annual basis. Higher revenues are the main reason for the result improvement, especially in the product areas of NEXUS / CIS and NEXUS / CSO, NEXUS / DIS as well as E&L medical systems GmbH. The period result before taxed (EBT) for the year improved from KEUR 6,698 in the previous year (adjusted) to KEUR 8,243 (+23.1 %). There were write-offs in the amount of KEUR 7,013 (previous year: KEUR 7,078). This mainly concerns scheduled write-offs on capitalized development costs, technologies and customer base. The companies consolidated for the first time generated an EBT of KEUR 248 together.

The Group annual surplus also improved considerably from the previous year (KEUR 6,840; adjusted) to KEUR 8,108 (+18.5 %). Tax expenses increased despite capitalization of tax losses carried forward previously not carried in the books due to the positive development of earnings in almost all companies of the NEXUS Group. With respect to the segment results, a mixed picture resulted in 2014. The Healthcare Software Division developed further and achieved a result of KEUR 7,700 before taxes and interest (EBIT) following an EBIT of KEUR 5,801 in the previous year (adjusted) (+32.8 %). The Healthcare Service Division had a decrease in its result before taxes and interest from KEUR 739 in the previous year to KEUR 331 (-55.2 %) in 2014.

Goodwill and company values in the amount of KEUR 27,976 (previous year: KEUR 24,476; adjusted) have maintained their value completely as of the balance sheet cut-off date according to our performed impairment tests. For the other intangible assets in the amount of KEUR 27,996 (previous year: KEUR 23,813), which are composed mainly of our own capitalized developments as well as acquired technology and customer base, there were no indications of value reductions in 2014. Intangible assets including goodwill currently amount to KEUR 55,972 (previous year: KEUR 48,289; adjusted) and thus represent 51.7 % (previous year: 47.9 %) of the balance sheet total.

The equity capital of NEXUS Group was KEUR 75,812 on the cut-off date following KEUR 71,495 in the previous year (adjusted), which corresponds to an equity capital rate of 70.1 % (previous year: 71.0 %). A dividend of 12 cents per share (EUR 1,808,225.04) was paid to stockholders in 2014.

The down payments received, which especially represent down payments from customers for software projects, declined to KEUR 2,178 following KEUR 5,641 in the previous year.

The amount of cash assets plus financial assets and loan against borrower's note held as liquidity reserves decreased by KEUR 1,226 and was KEUR 22,578 as of 31 December 2014 (previous year: KEUR 23,804). This corresponds to 20.9 % (previous year: 23.3 %) of the balance sheet total. Trade receivables remain at the level of the previous year despite the greatly increased business volume and amounted to KEUR 19,275 on 31 December 2014 following KEUR 19,320 in the previous year.

The inflow and outflow of funds is shown in the cash flow statement. A cash flow from current business activities of KEUR 11,594 was generated in 2014 following KEUR 10,544 in the business year 2013 (+10.0 %). The cash flow from investment activities was KEUR -11,750 as of the balance sheet date (previous year: KEUR -3,687). Investments in company acquisitions as well as in our own development services are especially reflected in this.

A total of KEUR 5,636 was invested in the segment Healthcare Softwareand KEUR 523 in the segment Healthcare Service. The investment acquisitions of Marabu EDV- Beratung und -Service GmbH, Berlin, and CS3I S.A.S., Creuzier-le-Neuf (F), were allocated to the Healthcare Software Division. The investment acquisition of proLohn GmbH, Singen Hohentwiel, was allocated to the Healthcare Services Division.

The cash flow from financing activity in the amount of KEUR -1,626 (previous year: -3,920) results from dividend payouts (KEUR 1,808; previous year: KEUR 1,657) and sales of own shares (KEUR 70; previous year: KEUR 28). As of the cut-off date, granted credit limits were only used in the amount of bank loans and overdrafts KEUR 268 (previous year: KEUR 195).

Investments / Acquisitions

The following changes were implemented in the participation structure in 2014:

- NEXUS AG purchased a 51 % interest in proLohn GmbH, Singen Hohentwiel, on 8 September 2014. The purchase price of KEUR 170 was paid in cash.
- NEXUS AG purchased, for a price of KEUR 1.860 was paid in cash, 93 % of the shares of Marabu EDV-Beratung und -Service GmbH, Berlin, on 24 September 2014. There is a forward and for the remaining 7 % at a purchase price of KEUR 700 in 2015 and put-option with a conditional purchase price of KEUR 116. The company was integrated completely into the consolidated financial statements using the anticipated-acquisition method.
- Die NEXUS / OPTIM S.A.S, Grenoble (F), purchased 100 % of the shares of CS3I S.A.S., Creuzier-le-Neuf (F), on 30 October 2014. The purchase price is calculated from the sales price paid in cash (KEUR 3,000) and the conditional purchase price (KEUR 1,081) together.

Other Financial Obligations

The Group has mainly concluded leasing agreements for operation and business facilities (incl. the EDP hardware) and official vehicles. In addition, there are rental contracts and other contract obligations for business offices. The purpose of the contracts is the financing and procurement of assets necessary for business operations. Risks can be created by the conclusion of expensive follow-up contracts at higher costs after expiration of these contracts.

Advantages, which resulted in decisions for carrying out or retaining these transactions, are found mainly in the low capital requirements for the company in procuring the required assets for business. In addition, there is no exploitation risk for the company thanks to the leasing financing and the possibility of short-term securing of the current state of technological development.

Principles and Objectives of Finance Management

NEXUS finance management targets ensuring the financial stability and flexibility of the company. A balanced ratio between own and outside capital plays essential decisive role in this. The capital structure of NEXUS Group is composed of 70.1 % equity capital and 19.0 % short-term outside capital. This essentially concerns payables for goods and services, which are to be attributed to operative business. The Group is mainly financed centrally via NEXUS AG to manage liquidity.

Financial and Non-Financial Performance Indicator

The financial performance indicators (key figures) of the NEXUS Group, i.e., sales and result before taxes, have developed positively in the complete Group. The key figures increased in the “Healthcare Software” segment, and sales increased in the “Healthcare Service” segment. The non-financial performance indicator “relative market position” also increased, since the sales increase NEXUS Group is higher than the average increase of market companies and more bids were won in the individual business areas than by the decisive competitors according to an analysis by NEXUS.

Course of Business of the Company Divisions

Health Care Software Division: Growth and Innovation

The Healthcare Software Division provides software products, which we created, on national and international markets for institutions in the healthcare sector. This division achieved (external) sales of KEUR 70,442 in 2014 following KEUR 64,940 in the previous year. This represents an increase of 8.5 %. The growth of this sector is especially the result of the good order situation of the area of hospital information systems (NEXUS / HIS).

Healthcare Service Division: Stability and Innovation

The Healthcare Service Division provides IT outsourcing services for institutions in the healthcare system in Germany. This division achieved (external) sales of KEUR 9,705 in 2014 following KEUR 8,323 in 2013 (16.6 %). The area has stabilized further and is striving to achieve the result quality of the Healthcare Software business area through further innovations.

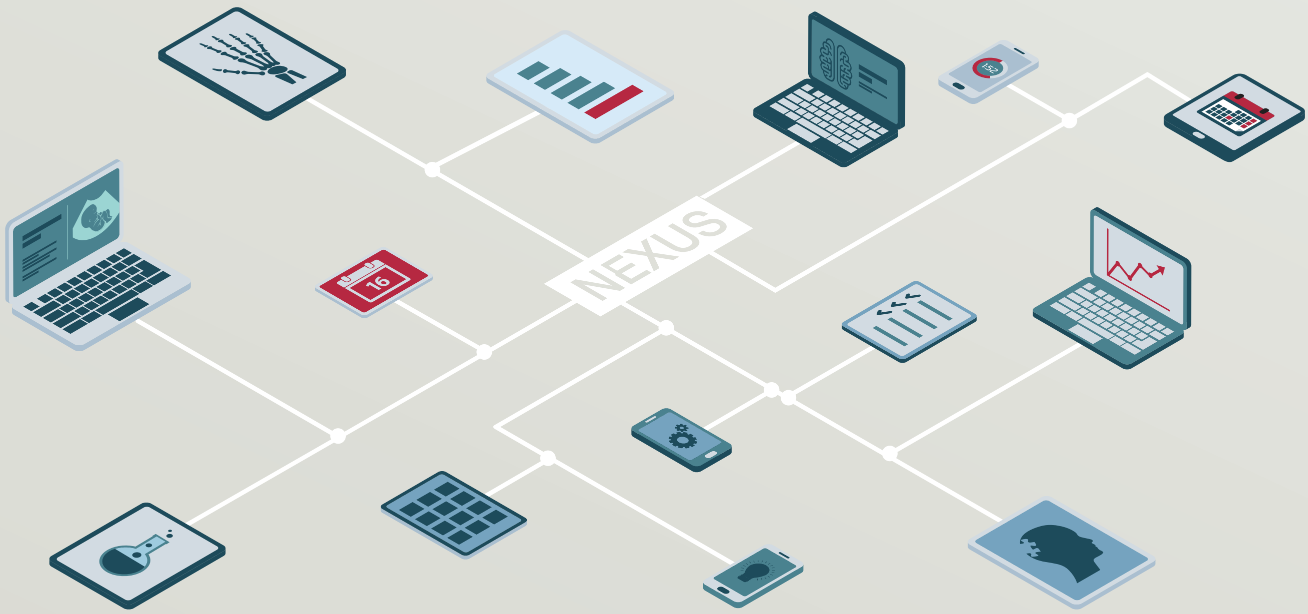
Employees

The development of personnel is especially significant in the market of hospital information systems. In this area dependent on knowledge, in which medical knowledge is combined with informatics to create customer-oriented solutions, the success of development projects often depends on the knowledge and education of individuals. Consequently, NEXUS puts a great deal of value on efficient management of human resources. The number of employees and their structure at NEXUS has again increased due to new hiring and company acquisitions. While there were 644 employees in the previous year on the cut-off date of 31 December 2014, there are now 662 people employed in the NEXUS Group including the Executive Board.

General Statement about the Condition of the Group

NEXUS developed positively with respect to all performance indicators in 2014. NEXUS has an attractive product program, a good market position in its core markets and stable customer relationships. Further growth can be achieved through self-financing.

Innovative software solutions in the following areas of medicine:



Patient and Workflow Management

- Patient Management
- Billing
- DRG work station
- Out-Patient Billing
- Casemaps
- Job management
- Appointment/ resource planning
- PEPP
- Bed planning

Hospital and organizational management

- Financial management
- Controlling
- Materials Management
- Business Intelligence
- Quality management
- Duty Scheduling
- Referrer portal

Treatment Management

- Ward management (nursing documentation/charts)
- Interdisciplinary medical and nursing records
- Medication process
- Outpatient Management

Ward solutions

- OP
- Endoscopy
- Gynecology
- Ophthalmology
- Pathology
- CSSD
- PDMS
- Angiography
- Gynaecology
- Oncology
- Cythologie
- Radiotherapy
- Anesthesia
- Sonography
- Cardiology
- Neonatology
- Neurology

Clinic solutions

- Psychiatry
- Geriatrics
- Rehabilitation

Radiology and image archiving

- RIS
- PACS
- Dicom archive
- Equipment integration

Electronic Content Management (ECM):

- Document archiving


NEXUS / SPECIAL DIAGNOSTICS
Intelligent image and diagnostics documentation in the special diagnostics areas of endoscopy, cardiology, sonography, women's clinics and ophthalmology.
Comprehensive hospital integration of medical devices:
A uniform diagnosis system for all wards and specialist departments

Addendum

The following events requiring reporting took place after the balance sheet key date:

- NEXUS AG acquired 100% of the shares of quCare Solutions B.V., Nieuwegein (Netherlands), on 9 February 2015 The purchase price of KEUR 18,435 was paid in cash.
- The Executive Board of NEXUS AG resolved to conduct a capital increase on 26 February 2015 with approval of the Supervisory Board. Using the authorized capital available, the capital stock of NEXUS AG was increased from the previous EUR 15,105,150 by EUR 630,515 (4.2%) to EUR 15,735,665 against cash investment via issue of 630,515 registered shares with exclusion of subscription rights. Thanks to the placement of new shares among investors, 8.8 million euros gross where achieved. The issue price was 13.95 euros.

Chances and Risks Report

The business operations of NEXUS Group is connected with risks and chances. NEXUS AG has introduced a risk control and monitoring system for early detection, valuation and correct handling of chances and risks. The system covers NEXUS AG including all majority-owned subsidiaries and is the responsibility of the Executive Board and the managing directors of the subsidiaries.

In addition, NEXUS Group is confronted with short-term, mid-term and long-term strategic and operative risks, which concern changes and errors of the environment, industry, internal management and performance processes or the financial environment.

Risk Management

NEXUS has implemented an appropriate internal monitoring system as well as controlling instruments and risk management. In addition to intensive cost and result management, which is monitored within the framework of management supervisory board meetings at regular intervals, there is a risk management manual. The following chance and risk fields are monitored correspondingly by a management team:

- Customer projects
- Development projects
- Lack of market acceptance of products
- Loss of staff with know-how
- Legal disputes
- Development of subsidiaries and holding companies

Reporting, documentation and development of measures are regulated in the risk manual of NEXUS AG. The Executive Board checks its implementation at regular intervals. Five risk sheets were reported to the Executive Board from the offices responsible for it in 2014, and the Executive Board evaluated them.

Purchasing is essentially order-related and arranged after discussing and agreeing on this with the project manager responsible. Payments are approved by the Executive Board at NEXUS AG and by the respective managing director at the subsidiaries. The salary and wage settlement process is done mostly centrally in Villingen-Schwenningen for domestic companies and monitored by independent offices.

An Oracle database is used for recording performance of the development department. Steering is via quarterly planning. NEXUS Group uses ERP software (Enterprise Resource Planning), with which information is made available for workflow process and internal controls as well as for the purposes of reporting. In addition, there is regular communication between the finance departments of the decentral subsidiaries and the central Group finance department.

Increased attention is being paid to the development of business at subsidiaries. They report their results monthly to the Executive Board. The Executive Board is directly involved in decisive decisions. For the control and monitoring, the subsidiaries are currently combined in seven business units according to products and markets, and they are in turn allocated to the two segments Healthcare Software and Healthcare Services.

Controlling the internal monitoring and risk management system is the responsibility of auditing committee of the Supervisory Board.

Risks and Chances

Market and Industry Risks

There are decisive risks and chances, which could entail a considerable change of the economic situation at NEXUS, in the market and industry environment. NEXUS Group earns its sales revenues mainly from the sale of software licenses and services for the healthcare system in Germany, Switzerland, Austria and France. The current overall economic environment continues to present a risk. Especially poor growth values in Europe resulted in cuts in many European public budgets, which also affect financing public budgets. Further budget cuts are to be expected for the healthcare system and especially for hospitals.

Gartner has reduced its forecast for growth of global IT expenditures for 2014. Instead of 3.2%, the institute only expects an increase of 2.1%. The strongest growth can still be found in the areas of company software. According to the market research institute IDC, demand in this segment increased by 5.5% to 369 billion US$ in 2014. In a current study, Frost and Sullivan predict growth in the EHR (Electronic Health Record) market in Europe of 10% annually until 2020.

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Even if the figures do not provide direct information about the willingness to invest of institutions in the healthcare sector, NEXUS Group assumes that the target group of somatic and psychiatric hospitals, medical care centers, rehabilitation, senior citizen and nursing homes will also continue to participate in the trend to increasing investments in business software. This provides considerable chances for NEXUS to achieve above-average growth.

Our current technology and market position opens up the possibility for us to acquire new customers and improve our margin. Our customer base till now is an excellent reference for this. Our technology strategy and our separation between a hospital and a diagnostic system are receiving increasing attention on the market. As supplier of quality software, NEXUS has earned a very good reputation on the market and is considered a stable, growing company. Over the past years, this applied especially to the German market, in which the NEXUS Group was able to win important orders with the new product NEXUS / HIS and consequently replace other established competitors.

However, if other companies are able to establish their products as standards in spite of the segmented market, the strategy of NEXUS Group as a supplier to small- and medium-sized companies as well as with an international presence will not be successful. Due to progressing consolidation, the possibility of a takeover by a competitor also continues to exist.

Operational and Other Risks

Strategic Risks: Risks can arise from strategic company decisions, which change the short-term and long-term chance and risk potential of NEXUS.

Marketing and Sales Risks: NEXUS cultivates the different markets with different sales models. Marketing is very demanding due to the complexity of the products. The loss of partners, employees or sales intermediaries is a risk, which could influence the revenue situation. An important factor for the further economic development of NEXUS AG and its subsidiaries is the capability to increase maintenance and service revenues further in addition to expanding the installed software base. As a prerequisite to this, expiring maintenance and service contracts have to be renewed in a sufficient scope. Revenue quality can improve further with increased share of maintenance contracts and revenues from partner transactions.

Project risks: Implementation problems, especially technical ones, could result in penalties or undoing in the existing large projects, which could affect revenues and the market reputation negatively. Non-payment in large projects due to temporary shortage of liquid funds or customer refusal to pay can result in liquidity problems for the company, especially when substantial advance performances are provided in large projects.

This risk is reduced to the greatest extent possible by the agreement to provide down payments. Non-payment risks or risks that a contractual partner cannot fulfill his payment obligations are controlled actively within the framework of debt management (e.g., credit checks). Non-payment risk concentrations are created temporarily in the Group within large projects. The maximum risk amount is derived from the book value of the capitalized receivables and – if applicable – from damage claims or liability claims. Risks from fluctuations of payment flows do not exist at this time due to the existing liquidity reserves and the increasingly smooth payment flows.

Product risks: There is a risk that the innovation advance achieved by NEXUS is lost due to competitor innovations and consequently market shares lost. Risks also exist during the scheduling and budgeting of developments as well as in the design and quality of our developments, which can cause substantial effects on marketing and cost positions if scheduling and budgeting deviate from marketing specifications. In software development, third-party products are also used in part, the loss of which or if there is deficient technological quality could result in delays of our own software deliveries. NEXUS Group faces these risks with annual, quality-checked releases, which go through a pre-defined quality management process.

Staff Risks: The development of NEXUS is strongly dependent on the knowledge and Group-wide willingness to perform of its staff. There is a risk in principle to lose competent employees due to fluctuation and consequently lose market advantages. If a larger number of core know-how staff members leave the company, this could result in substantial difficulties in operational business dealings, at least in the short term. In addition, the labor market has experienced a lack of specialists for years. NEXUS faces this risk with active personnel development, an important component for far-sighted and reliable safeguarding of our human resources. Significant legal risks are not known at this time.

Risk Reporting with respect to the Use of Financial Instruments and Financial Risks

Financial instruments are essential composed of accounts receivables and payables. Because the customers of NEXUS Group are mainly in public hands, the default risk for accounts receivable is to be considered slight.

NEXUS has substantial intangible assets in the form of concessions / patents (KEUR 784; previous year: KEUR 772), goodwill (KEUR 27,976; previous year: KEUR 24,476; adjusted), technology and customer base (KEUR 7,333; previous year: KEUR 7,643), brands (KEUR 3,232; previous year: KEUR 2,039) and development costs (KEUR 16,647; previous year: KEUR 13,358), which are capitalized in the balance sheet. On the balance sheet cut-off date, the value of the goodwill was checked based on the DCF (discounted cash flow) method. Based on the expectation for positive results in the future, there is no need for devaluation. If the assumptions do not become reality in the future, there could be a need for devaluation of the goodwill and also of the other intangible assets.


NEXUS / HIS is completely mobile.
NEXUS has developed a unique comprehensive concept for NEXUS / HIS, which goes far beyond simple app development.
The four components of NEXUS / MOBILE:
OK
APP-Container
Security Gateway
APP-Store
Geräte-management

NEXUS AG and its subsidiaries have capitalized deferred taxes from losses carried forward to a considerable extent. If it is no longer to be expected that profits can be earned to use the losses carried forward, the valuation would have to be completely or partially reduced. If tax laws change concerning handling of losses, it could become necessary to reduce the capitalized deferred taxes completely or partially.

NEXUS has securities, which are subject to interest and price risks and are consequently watched very closely. Investment options are also considered in this respect. Rate and financial loss risks continue to exist for fixed interest securities due to the volatile markets, which are observed and valuated. The Group has substantial liquid funds in Swiss francs, which are subject to exchange rate risks. Exchange rate risks are also created especially by sales made in Switzerland (Swiss francs) and the resultant receivables, which are subject to exchange rate fluctuations until payment. Payments received in Swiss francs are offset to a great extent by payouts out in Swiss francs, so that the currency risk is reduced here overall. A hedging relation did not exist on the balance sheet cut-off date. Risks from fluctuations of payment flows do not exist due to the liquidity reserves and the increasingly smooth payment flows.

The Executive Board monitors decisions about the use and risks from the use of financial instruments.

The Group strives to have sufficient means of payment and equivalents for this or have corresponding irrevocable credit lines to fulfill its obligations over the coming years. In addition, the company has authorized capital available for further capital increases.

Effects can result from changes to factors relevant to contracts from conditional purchase prices within the context of company acquisitions.

Internal Monitoring System and Risk Management System with respect to the Group Accounting Process

The internal monitoring and risk management system has the objective with respect to the accounting process to ensure the appropriateness and effectiveness of accounting and financial reporting Group-wide. On-going accounting of domestic subsidiaries is managed decentrally, while the customary year-end reports are mainly are mainly composed centrally. Foreign companies draw up local year-end reports, which are checked based on legal regulations or importance voluntarily. The Group year-end report as well as the required adaptations of individual domestic and foreign year-end reports to the International Financial Reporting Standards, as they are to be applied in the EU as mandatory, are done centrally in Villingen-Schwenningen. The process of composing the year-end report is monitored centrally by the head of Finances as well as by the Executive Board of NEXUS AG. The one-on-one principle is maintained on principle.

NEXUS-Software: solutions for the core topics of medical treatment

Intelligent Diagnosis:
NEXUS / HIS

- In NEXUS / HIS, the diagnosis software from E&L supports doctors in special diagnostics
- Quality-assured diagnosis texts and seamless device integration enable targeted and fast diagnosis documentation

Safe Medication:
NEXUS / MEDICATION

- Controls provisions of prescribed drugs for patients
- Semi-automated support of the complete drug administration process
- Clearly comprehensible process for all involved

Monitored Hygiene:
NEXUS / SPM

- NEXUS / SPM supports sterile goods supply, where hygiene is critical, from operation to cleaning and disinfection and all the way to transport sieves back to OP
- Increased transparency and efficiency in the Central Sterile Supply Department (CSSD)

Well thought-out operations:
NEXUS / HIS

- NEXUS / HIS integrated into the OP system has been enhanced decisively
- Very essential new developments are been implemented in OP planning and legal documentation
- Quality-assured operations for the benefit of patients

NEXUS / SPM
For gapless documentation of sterile goods supply.
NEXUS / SPM contributes decisively to hygiene management in hospitals. Cleaning and disinfecting instruments is monitored and documented as well as linked with NEXUS / OP Management.

Information Relevant to Acquisitions

Composition of Equity Capital and Securities Market Listing

NEXUS AG is listed on the Frankfurt securities market in Prime Standard under securities identification number (WKN) 522090. The subscribed capital as of 31 December 2014 in the amount of EUR 15,105,150 is composed of the following: Common stocks: 15.105,150 shares at the accounting par value of EUR 1.00 each. Refer to Subsection 8 ff of theGerman Stock Corporation Law (AktG) for information about the rights and obligations with respect to the individual share certificates. A total of 15,079,290 shares have been issued as of the cut-off date.

Restrictions of the Stocks

There are no restrictions affecting voting rights or transfer of stocks that we are aware of.

Direct or Indirect Shares of Capital

The following communicated direct and indirect shares in capital exceed 10 of one-hundred of the voting rights insofar as is known:
GUB Wagniskapital GmbH & Co. KGaA, Schwäbisch Hall, Germany: 13.02 % indirect ownership interest:

- Essential Invest GmbH & Co. KGaA, Schwäbisch-Hall, Germany: 13.02 %
- Essential Management GmbH, Rorschacherberg, Germany: 13.02 %

Stockholders with Special Rights

There are no stockholders with special rights that grant control rights.

Type of Voting Right Control in the Case of Employee Participations

There is no separation between voting right and stock for the employees with capital shares. Employees can exercise control rights directly.

Naming and Dismissing Executive Board Members and Amendments to the Articles of Incorporation

More far-reaching bylaws for naming or dismissing Executive Board members do not exist other than the legally applicable ones. In addition, there are no essential bylaw provisions, which deviate from legal regulations and flexible regulations.

Rights of the Executive Board with respect to the Option of Issuing or Buying Back Stocks

Empowerment to purchase own stocks

The company is empowered to purchase its own stocks up to 1,380,520 individual share certificate in a calculated nominal value of EUR 1.00 each. This empowerment is valid until 31 May 2015. The purchase is made according to the choice of the Executive Board via the securities market or via a public purchase offer directed to all stockholders. More than 10% of the capital stock may not be allotted of these shares purchased at any time after the empowerment, which are owned by the company or which are to be attributed to it according to subsection 71 a ff. of the German Stock Corporation Law (AktG). The company may not use this empowerment for the purpose of trading with its own stocks. The company can use this empowerment completely or in partial amounts once or several times, but this can also be done for the account by third parties.

If stocks are purchased directly via the securities market, the paid equivalent value per share (excluding incidental purchase costs) may not exceed the average price of the closing rates in XETRA trade (or a comparable follow-up system) at the Frankfurt/Main Securities Market for the stocks of the company during the last five stock market days before purchase of the stocks by more than 10% nor may they be more than 10% below these prices. If stocks are purchased directly via a public purchase offer (or public call to submit an offer) to all stockholders, the offered purchase price or the limit values of the offered purchase price rate per share (excluding incidental purchase costs) may not exceed the average price of the closing rates in XETRA trade (or a comparable follow-up system) at the Frankfurt/Main Securities Market for the stocks of the company during the last five stock market days before publication of the purchase offer by more than 10% nor may they be more than 10% below these prices.

The Executive Board is empowered to call in its own stocks purchased based on the granted empowerment with approval of the Supervisory Board and without a further resolution of the general stockholders' meeting. It is also empowered to offer the stocks purchased based on the granted empowerment with approval of the Supervisory Board to a third party within the context of company mergers or at purchase of companies or participating shares in companies. The subscription rights of stockholders to their own stocks are insofar excluded. NEXUS AG started a stock buyback program in 2011. A total of 32,788 shares were purchased valued at an average price of EUR 7.62 as of 31 December 2014.

Authorized Capital

The Executive Board is empowered to increase the capital stock of the company in the period until 30 April 2017 with approval of the Supervisory Board one time or several times up to a total of EUR 7,152,575 via issue of new no-par bearer stocks (individual share certificates) against cash and/or capital subscribed in kind (authorized capital). The new shares can also be issued to employees of the company or an affiliated company. The Executive Board shall decide about the conditions of the stock issue subject to approval by the Supervisory Board. The Executive Board is also empowered – subject to approval by the Supervisory Board – to decide about the exclusion of stock rights of stockholders in the following cases:
a) for fractional amounts,
b) for issue of new stocks to employees of the company or an affiliated company,
c) for issue of new stocks against capital subscribed in kind for purchase of companies, company parts or shares in companies,
d) at issue of new stocks against cash investment, if the issue amount of the new shares does not fall substantially short of the already the listed price of shares already listed on the securities markets of the same class and same investment at the time of final determination of the issue amount by the Executive Board in the sense of Subsection 203 para. 1 and 2, 186 para. 3 sentence 4 of the German Stock Corporation Law (AktG) and the proportional amount of the capital stock for the new shares does not exceed 10 % of the capital stock existing (EUR 14,305,150) at the time of entering this empowerment in the commercial register and – cumulatively – 10% of the new stocks existing at the time of the issue, for which the subscription right was excluded. The proportional share of capital stock is to be deducted at the highest limit of 10 % of capital stock, which applies to the new or repurchased shares,

which were issued or sold since entry of this empowerment in the commercial register with simplified purchase right exclusion pursuant or corresponding to Section 186 para. 3 sentence 4 of the German Stock Corporation Law (AktG) as well as the proportional share of capital stock, which refers to the option and/or conversion rights from option and/or convertible bonds and/or conversion requirements, which were issued or sold since entry of this empowerment in the commercial register pursuant to Section 186 para. 3 sentence 4 of the German Stock Corporation Law (AktG). The empowerment still amounts to EUR 6,352,575 (previous year: EUR 6,352,575) following partial depletion due to an increase of cash capital in the amount of KEUR 800 in November 2012.

Conditional Capital

The capital stock of the company was increased conditionally by EUR 1,400,000 via issue of up to 1,400,000 registered share certificates with an accounting par value of EUR 1.00 each (Conditional Capital 2012). The conditional capital serves for securing purchase rights from stock options, which were granted based on the empowerment of the annual general meeting of NEXUS AG on 23 May 2012. The conditional capital increase will only be carried out insofar as stock options are issued and the owners of these stock options use their subscription rights and the company offers its own stocks not in fulfillment of subscription rights.

Essential Agreements, Which Are Subject to a Control Change due to a Takeover Offer

There are no essential agreements of the company, which are subject to a control change due to a takeover offer.

Compensation Agreements

Compensation agreements of the company, which have been concluded with the members of the Executive Board or employees in the case of a takeover offer, do not exist.

Main Features of the Remuneration System for the Executive Board

The Supervisory Board of NEXUS AG sets the structure and amount of remuneration to the Executive Board members. The remuneration system for the Executive Boards is based on the principles of orientation to performance and result and is composed of a success-independent base payment as well as success-dependent components. Criteria for the appropriateness of the remuneration to each Executive Board member especially include the responsibilities of the respective Executive Board member, his personal performance, the economic situation, and the success and future outlook of company under consideration of the market environment. In addition, the Group maintains a pecuniary loss insurance policy for its executive body members (i.e., a directors and officers liability insurance policy).

The success-independent base remuneration is composed of a fixed sum, paid in 12 monthly payments, and nonmonetary compensation, which equal the value of company car use in line with tax stipulations. For the employee pension scheme, the Group also makes payments into a life insurance policy and a pension fund.

The success-independent components include an annually recurring component linked to company success and a component with a long-term stimulus effect and risk character in the form of a bonus. The annually recurring components are oriented to the EBIT of the NEXUS Group and fulfillment of targeted values. The component with long-term incentive effect is linked to the development of the stock price of NEXUS AG.

The following persons were on the Executive Board as of 31 December 2014:
- Dr. Ingo Behrendt, Chief Executive Officer
- Ralf Heilig, Sales and Marketing Manager
- Edgar Kuner, Development Manager

The base salaries are as follows:

	2014	2013
Salary Components	**KEUR**	**KEUR**
Non-performance-related components	622	622
a) Services due in the short term	597	597
b) Benefits after termination of employment	25	25
Performance-related components without long-term incentives	350	350
Total	**972**	**972**

The Executive Board received basic pay in the amount of KEUR 972 (previous year: KEUR 972) during the business year. In addition, bonuses in the form of 11,650 no-par bearer Nexus share certificates were granted in 2014, which will become due in 2015 and are based on the share price development from the 4th quarter 2013 to the 4th quarter 2014. The shares had a value of KEUR 140 at the time of granting. Stock-based compensation was also agreed upon with the Executive Board members in May 2014. It is composed of maximum 160,000 real shares, which become annually each year and are based on the development of stock prices between 2015 and 2017. The shares had a value of KEUR 788 at the time of granting.

Based on the resolution of the general stockholders meeting of 23 May 2012, no individualized information about the salaries of Executive Board members is provided in line with Section 286 para. 5 of the German Commercial Code (HGB) for the business years 2012 until 2016.

There are no promises concerning compensation to Executive Board members in the case of leaving the board prematurely.

Stock-based compensation was agreed upon with the Executive Board members in December 2011. It is composed of 100,000 virtual stock options, which will become due in 2015 are based on the development of stock prices between 2012 and 2014. Total compensation from these stock options is KEUR 544 for the years 2012-2014 and was entered as a short-term provision for liabilities.

Compensation of the Supervisory Board

The general stockholders meeting of NEXUS AG sets the structure and amount of remuneration to the Supervisory Board members; this is regulated in the bylaws of NEXUS AG. The remunerations are based on the tasks and responsibilities of the Supervisory Board members as well as on the business success of the Group. Every Supervisory Board member receives an annual payment, which is composed of fixed and variable amounts. The fixed remuneration for the Supervisory Board chairperson is EUR 15,000 and EUR 11,000 for the other Supervisory Board members. In addition, result-dependent variable compensation is granted, which is maximum EUR 15,000 for the Supervisory Board chairperson and maximum EUR 5,000 for the other Supervisory Board members. The chairpersons in other committees are granted additional EUR 1,000.

The following persons are members of the Supervisory Board:

- Dr. jur. Hans-Joachim König, Singen, Chairperson
- Prof. Dr. Ulrich Krystek, Hofheim, Deputy Chairperson
- MBA (FH) Wolfgang Dörflinger, Constance
- Prof. Dr. Alexander Pocsay, St. Ingbert
- Erwin Hauser, Businessman, Blumberg
- Matthias Gaebler, Stuttgart

The overall remuneration of the Supervisory Board amounted to KEUR 112 (previous year: KEUR 115). In addition to their work in the Supervisory Board, the members of the Supervisory Board provide services themselves or via companies affiliated with them for the NEXUS AG and invoice them in line with customary market conditions. In 2014, the expenses for such service fees amounted to KEUR 116 (previous year: KEUR 73). In addition, the Group maintains a pecuniary loss insurance policy for its executive body members (i.e., a directors and officers liability insurance policy).

Declaration about Company Management as well as Compliance Statement

The declaration about company management as well as compliance statement according to Section 161 of the German Stock Corporation Law (AktG) have been published at the company website at www.nexus-ag.de – Investor Relations – Corporate Governance.

Summarized Depiction of the Chance and Risk Situation of the NEXUS Group

NEXUS AG as well as all subsidiaries work according to a uniform method of chance/risk analysis and chance/risk management. Early detection of risks is given decisive importance in this. The monitoring of risks by unambiguous key figures (sales, result before taxes, relative market position) enables a clear assessment of the significance.

From the perspective of individual risks and from an overall risk position, it can currently be seen that the continued existence the company is not endangered. At the same time, management sees considerable chances to expand sales in the market segment of the NEXUS Group.

Forecast Report 2015

The willingness of hospitals to invest remains subdued in Europe, and we see the risk in our core markets that larger investment decisions are put off time and again. Cost pressures are also very high in other market segments, e.g., in senior citizen homes and rehabilitation institutions, and investment projects are not implemented in part. However, healthcare institutions still need to optimize their processes using software and achieve savings potential.

NEXUS Group has the possibility thanks to its wide-range of products and its clear positioning to increase sales even in a difficult market environment.

Our Group planning for 2015 in the healthcare service segment shows that we expect slightly increasing values in all performance key figures. This applies to our result before taxes and to sales. We also expect an improvement in our relative market position in the relevant markets.

We see a similar development in the healthcare software (before acquisition quCare Solutions B.V. (NL)) segment in sales, result and our market position.

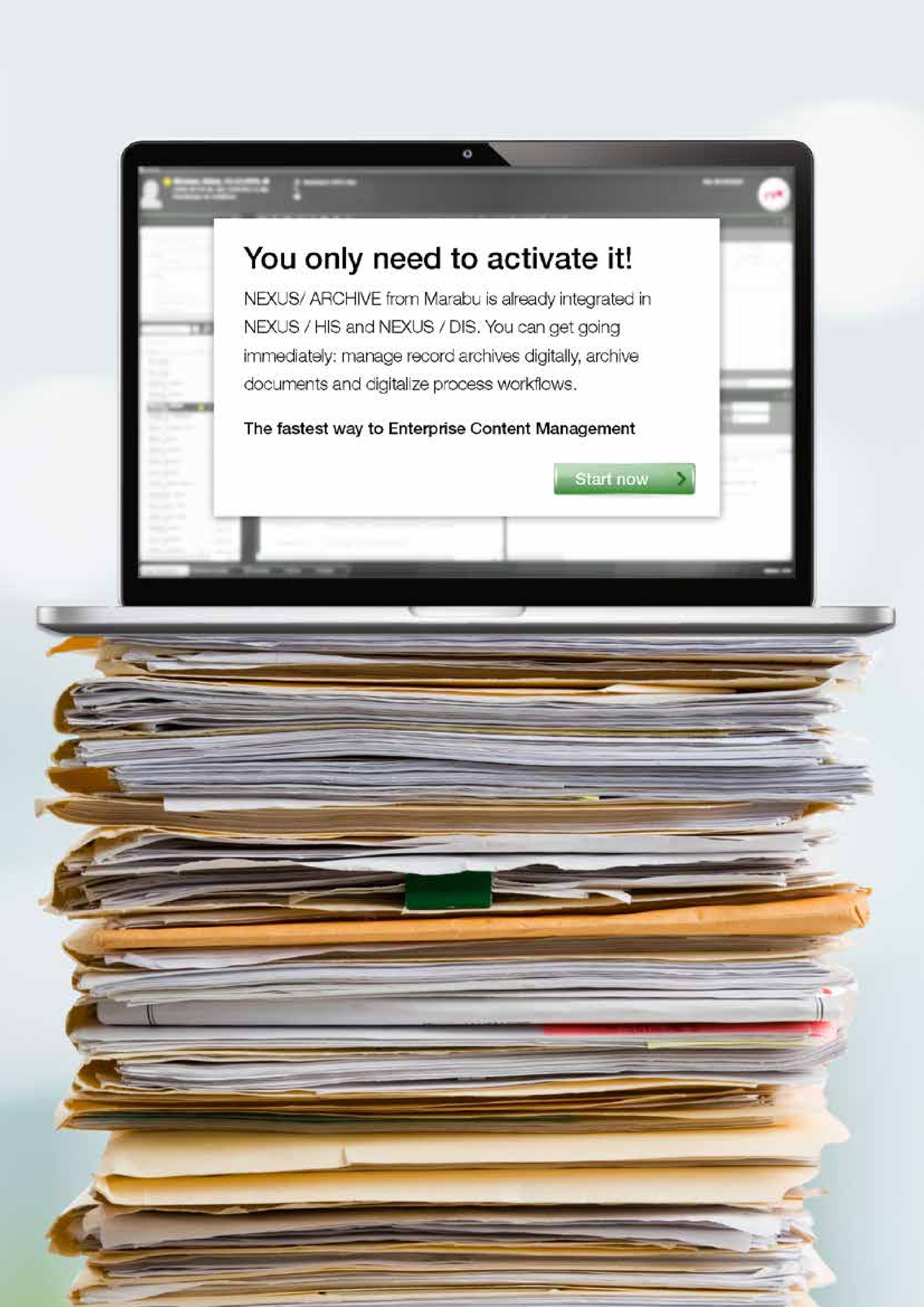
Thanks to the integration of quCare Solutions B.V. (NL), considerable increases are expected in sales, result before taxes and relative market position. We acquired 100 % of the shares of the company after the balance sheet key date (31 Dec. 2014). The sales of this company amounted to approx. EUR 15 million in 2013/2014. We are planning to expand our activities on the Dutch market and improve our market position in collaboration with quCare. For NEXUS, this company acquisition signifies another step in the direction of becoming a leading European e-health provider.

The forecasts include investments in the internationalization and enhancement of our product range. These investments can also be supported by additional acquisitions of shareholdings when deemed necessary. Our objective remains to expand our position as a complete provider in healthcare IT operating throughout Europe.

NEXUS AG
Villingen-Schwenningen, 23 March 2015

The Executive Board

Dr. Ingo Behrendt
Ralf Heilig
Edgar Kuner


You only need to activate it!
NEXUS/ ARCHIVE from Marabu is already integrated in NEXUS / HIS and NEXUS / DIS. You can get going immediately: manage record archives digitally, archive documents and digitalize process workflows.
The fastest way to Enterprise Content Management
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Consolidated Balance Sheet as of 31 December 2014

Assets		**31/12/2014**	adjusted[1)] **31/12/2013**	adjusted[1)] **01/01/2013**
	Appendix	**KEUR**	**KEUR**	**KEUR**
Long-Term Assets				
Goodwill[1)]	4	27,976	24,476	23,982
Other intangible assets	4	27,996	23,813	24,267
Fixed Assets	5	2,241	1,864	1,925
Shares in companies valuated at equity	6	34	43	43
Credited deferred taxes	8/25	4,828	3,697	4,174
Other financial assets	10	400	84	131
Total of long-term assets		**63,475**	**53,977**	**54,522**
Short-Term Assets				
Inventories	7	589	283	414
Trade receivables and other receivables	9	19,275	19,320	19,144
Receivables from tax on profits		675	404	509
Other non-financial assets	11	1,029	1,436	1,153
Other financial assets	10	568	1,497	1,129
Short-term financial assets	10	9,218	8,142	10,145
Cash and balance in bank		13,360	15,662	12,906
Total of Short-Term Assets		**44,714**	**46,744**	**45,400**
Balance sheet total		**108,189**	**100,721**	**99,922**

Liabilities and Equity	Appendix	31/12/2014 KEUR	adjusted[1] 31/12/2013 KEUR	adjusted[1] 01/01/2013 KEUR
Equity Capital	**12**			
Authorized capital		15,105	15,105	15,105
Capital reserves		25,980	25,780	25,757
Profit carried forward[1]		30,705	25,293	21,594
Consolidated surplus[1]		8,279	7,221	6,094
Other cumulated Group result[1]		-3,074	-1,088	-517
Own shares		-280	-290	-296
Equity capital attributable to stockholders of the parent company		**76,715**	**72,021**	**67,737**
Shares of non-controlling partners		-903	-526	-118
Total equity capital		**75,812**	**71,495**	**67,619**
Long-term debts				
Pension obligations	13	5,987	3,371	2,597
Debited deferred taxes	8/25	3,517	2,564	3,840
Financial liabilities	15	15	43	0
Other financial debts[1]	15	2,288	2,383	4,279
Total of long-term debts		**11,807**	**8,361**	**10,716**
Short-term debts				
Accruals[1]	14	1,291	916	1,315
Financial liabilities	15	253	152	385
Trade accounts payable	15	4,890	4,011	4,079
Liabilities from tax on profit	15	996	754	513
Deferred revenue	15	985	4,344	3,569
Other non-financial debts	15	4,991	6,462	8,132
Other financial debts	15	7,164	4,226	3,594
Total of Short-Term Debts		**20,570**	**20,865**	**21,587**
Balance sheet total		**108,189**	**100,721**	**99,922**

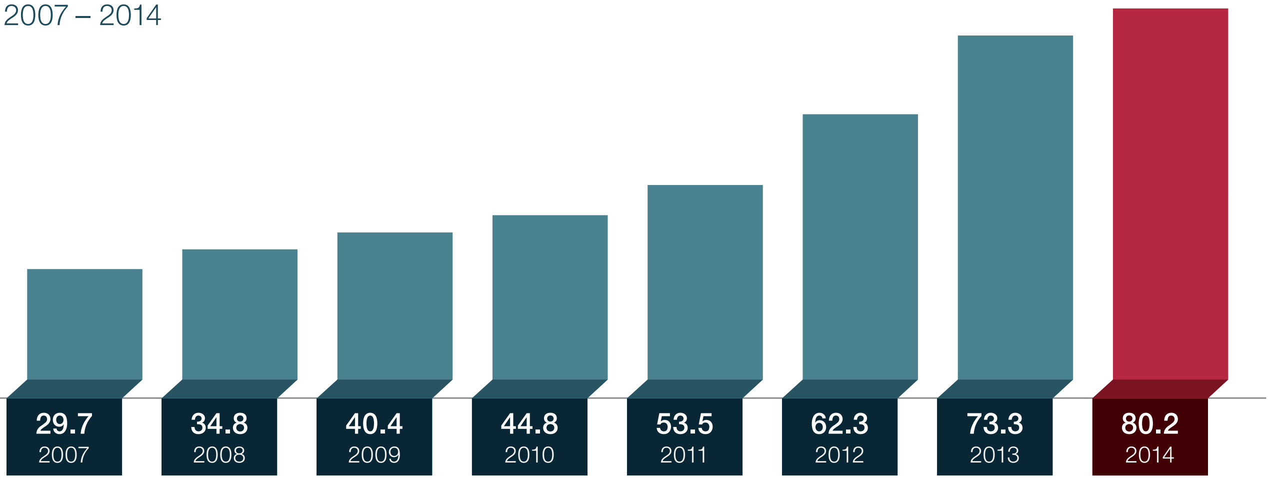
[1] Refer to Number 2.3.

Group Profit And Loss Account from 1 Jan. 2014 to 31 Dec. 2014

		2014	Adjusted[1)] 2013
	Appendix	**KEUR**	**TEUR**
Revenue	17	80,147	73,263
Development work capitalized		4,687	4,514
Other Operating Income[1)]	18	1,869	2,413
Cost of materials including purchased services	19	15,519	13,815
Personnel costs[1)]	20	43,598	40,955
Depreciation		7,013	7,078
Other operational expenses	21	12,542	11,802
Operating result		**8,031**	**6,540**
Earnings from shareholdings valuated at equity	22	3	0
Finance Income	23	287	221
Finance Expenses	24	79	63
Result before tax on profit		**8,243**	**6,698**
Taxes on profit	25	135	-142
Consolidated surplus		**8,108**	**6,840**
of the consolidated surplus, accounted to:			
· Stockholders of NEXUS AG[1)]		8,279	7,221
· Shares of non-controlling partners		-171	-381
Consolidated net earnings per share			
Weighted average of issued shares in circulation (in thousands)		15,072	15,065
· undiluted[1)]	26	0.55	0.48
· diluted[1)]	26	0.55	0.48

[1)] Refer to Number 2.3.

Group Sales in Millions of EUR
2007 – 2014



Group Statement of Comprehensive Income from 1 Jan. 2014 to 31 Dec. 2014

	2014	Adjusted[1)] 2013
	KEUR	KEUR
Consolidated surplus[1)]	**8,108**	**6,840**
Other comprehensive income		
Positions, which are never reclassified in profit or loss		
Actuarial profits and losses (after taxes on profit)	-2,962	-8
Tax effects	390	-18
	-2,572	**-26**
Positions, which were never or never can be reclassified in profit or loss		
Currency conversion differences	393	-572
	393	**-572**
Other comprehensive income after taxes	**-2,179**	**-598**
Overall result of the period	**5,929**	**6,242**
Of the overall result of the period, accounted to:		
· Stockholders of NEXUS AG	6,292	6,650
· Shares of non-controlling partners	-363	-408

[1)] Refer to Number 2.3.

Consolidated Cash Flow Statement from 1 Jan. 2014 to 31 Dec. 2014

	Appendix	2014 KEUR	Adjusted[1) 2013 KEUR
1. Cash Flow from Current Business Transactions	**28**		
Group annual result before tax on income[1)		8,243	6,698
Depreciation and amortization of intangible assets and plant, equipment and other fixed assets	4/5	7,013	7,078
Other expenses/income with no impact on cash		-2,428	-386
Increase/decrease in inventories	7	-231	172
Profit/loss from loss of assets		81	-60
Increase/decrease in trade receivables and other assets that cannot be allocated to investing or financing activities		1,540	375
Increase/decrease in provisions	13/14	2,327	-1,724
Increase/decrease in trade receivables and other assets that cannot be allocated to investing or financing activities		-5,146	-1,737
Paid interest		-79	-63
Received interest		293	226
Payments made for taxes on profit		-41	-63
Income taxes received		22	28
		11,594	**10,544**
2. Cash Flow from Investment Activities	**29**		
Cash paid for investments in intangible and fixed assets	4/5	-6,159	-5,343
Cash received from disposal of fixed assets		61	0
Purchase of companies after deduction of acquired payment means	3	-4,576	-347
Payments made/received due to investment of funds within the context of short-term fund positions	33	-1,076	2,003
		-11.750	**-3.687**
3. CCash Flow from Financing Activities	**30**		
Other changes of non-cash items		140	0
Dividend payout		-1,808	-1,657
Share purchase of already completely consolidated companies	3	0	-2,334
Sale of own shares		70	28
Payouts / payments due to taking long-term loans	15	-28	43
		-1,626	**-3,920**
4. Cash and cash equivalents at end of period			
Cash relevant changes in cash and cash equivalents (sum of 1 + 2 + 3)		-1,782	2,937
Change in currency conversion adjustment		-76	52
Changes in Group companies		-545	0
Cash and cash equivalents at beginning of fiscal year		15,510	12,521
		13,107	**15,510**
5. Composition of cash and cash equivalents			
Liquid assets		13,360	15,662
Bank liabilities due on demand		-253	-152
		13,107	**15,510**

[1) Refer to Number 2.3


NEXUS / HIS:
The fast track to all relevant patient information.

Consolidated Statement of Changes in Equity from 1 Jan. 2014 to 31 Dec. 2014

	Subscribed capital	Capital reserves	Equity capital difference from foreign currency conversion	Valuation reserve for purchase price liabilities[1]
	KEUR	KEUR	KEUR	KEUR
Consolidated equity as of 1 January 2013	**15,105**	**25,757**	**1,076**	**-310**
Adjustments iAS 8.41[1]				310
Adjusted consolidated equity as of 1 January 2013	**15,105**	**25,757**	**1,076**	**0**
Posting of consolidated surplus 2012 in the Group profit carried forward				
Total of the result entered directly into equity capital			-572	
Other comprehensive income after taxes 2013	**0**	**0**	**-572**	**0**
Group consolidated profit as of 31 December 2013				
Adjustments iAS 8.41[1]				
Overall result of the period	**0**	**0**	**-572**	**0**
Dividend payouts				
Purchase price adjustments				
Purchase/sale of own shares		23		
Consolidated equity as of 31 December 2013	**15,105**	**25,780**	**504**	**0**
Adjustments iAS 8.41[1]				
Adjusted consolidated equity as of 1 January 2013	**15,105**	**25,780**	**504**	**0**
Consolidated equity as of 31 December 2014	**15,105**	**25,780**	**504**	**0**
Posting of consolidated surplus 2013 in the Group profit carried forward				
Actuarial profits and losses in deferred taxes				
Deferred taxes entered in other result				
Currency exchange differences			393	
Other comprehensive income after taxes 2014	**0**	**0**	**393**	**0**
Consolidated surplus 2014				
Overall result of the period	**0**	**0**	**393**	**0**
Dividend payment				
Purchase / sale of own shares		60		
Stock-based payment		140		
Purchase of a subsidiary with non-majority shares				
Consolidated equity as of 31 December 2014	**15,105**	**25,980**	**897**	**0**

[1] Refer to Number 2.3

Pension provisions	Profit carried forward[1]	Annual surplus[1]	Own shares	Equity capital attributable to stockholders of the parent company[1]	Shares of non-controlling partners	Equity capital total[1]	Authorized capital
KEUR	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR
-1,593	**22,398**	**6,094**	**-296**	**68,231**	**-118**	**68,113**	**6,353**
	-804			-494		-494	
-1,593	**21,594**	**6,094**	**-296**	**67,737**	**-118**	**67,619**	**6,353**
	6.094	-6.094		0		0	
1				-571	-27	-598	
1	**0**	**0**	**0**	**-571**	**-27**	**-598**	**0**
		7,601		7,601	-381	7,220	
		-380		-380		-380	
1	**0**	**7,221**	**0**	**6,650**	**-408**	**6,242**	**0**
	-1,657			-1,657		-1,657	
	-1,048			-1,048		-1,048	
			5	28		28	
-1,592	**24,983**	**7,221**	**-290**	**71,711**	**-526**	**71,185**	**6,353**
	310			310		310	
-1,592	**25,293**	**7,221**	**-290**	**72,021**	**-526**	**71,495**	**6,353**
-1,592	**25,293**	**7,221**	**-290**	**72,021**	**-526**	**71,495**	**6,353**
	7,221	-7,221		0		0	
-2,744				-2,745	-218	-2,962	
365				365	25	390	
				393		393	
-2,380	**0**	**0**	**0**	**-1,987**	**-192**	**-2,179**	**0**
		8,279		8,279	-171	8,108	
-2,160	**0**	**8,279**	**0**	**6,292**	**-363**	**5,929**	**0**
	-1,808			-1,808		-1,808	
			10	70		70	
				140		140	
				0	13	13	
-3,971	**30,705**	**8,279**	**-280**	**76,715**	**-903**	**75,812**	**6,353**

Group Appendix for the Business Year 2014

1. General Information

Nexus Group (hereafter referred to as NEXUS) develops and sells software and hardware solutions with its business units “Healthcare Software“ and “Healthcare Service“ and provides IT services, especially for customers in the healthcare system. The Group focuses in the area of “Healthcare Software” on information systems for hospitals and psychiatric, rehabilitation and social institutions. The “Healthcare Service” unit provides IT services for IT operation, especially in the healthcare system. NEXUS AG is the highest ranking parent company.

Nexus AG is registered in the commercial registry of the Freiburg local court under number HRB 602434. NEXUS AG is a stock corporation listed on the securities market and in the Prime Standard segment. This Group Financial Report was drawn up by the Executive Board and approved for forwarding to the Supervisory Board on 19 March 2014. Publication is after checking and approving by the Supervisory Board on 24 March 2014.

The registered business address of the NEXUS AG is:
Auf der Steig 6, 78052 Villingen-Schwenningen, Germany.

List of consolidated subsidiaries and affiliated companies		31/12/2014	31/12/2013
Complete consolidation	**Country**	**Share of Capital in %**	
NEXUS Digitale Dokumentationssysteme Projektentwicklungsges.m.b.H., Wien	Austria	100.00	100.00
NEXUS / IS GmbH (vormals: NEXUS / CCC GmbH), Villingen-Schwenningen	Germany	100.00	100.00
NEXUS . IT GmbH SÜDOST, Singen Hohentwiel	Germany	50.20	50.20
NEXUS . IT GmbH NORD, Villingen-Schwenningen 1)	Germany	100.00	100.00
NEXUS Medizinsoftware und Systeme AG, Altishofen	Switzerland	99.98	99.98
syseca informatik ag, Luzern	Switzerland	100.00	100.00
NEXUS / INOVIT GmbH, Ismaning	Germany	100.00	100.00
NEXUS / CIS GmbH, Singen Hohentwiel	Germany	100.00	100.00
NEXUS / DIS GmbH, Frankfurt am Main 1)	Germany	100.00	100.00
NEXUS Schweiz GmbH, Schwerzenbach 2)	Switzerland	100.00	100.00
NEXUS / QM GmbH, Ismaning 1)	Germany	100.00	100.00
NEXUS / REHA GmbH, Villingen-Schwenningen	Germany	100.00	100.00
Flexreport AG, Wallisellen	Switzerland	100.00	100.00
NEXUS / CSO GmbH, Villingen-Schwenningen 1)	Germany	100.00	100.00
VEGA Software GmbH, Aachen	Germany	60.00	60.00
Domis Consulting AG, Altishofen	Switzerland	100.00	100.00
Synergetics AG, Altishofen 3)	Switzerland	60.00	60.00
NEXUS / OPTIM S.A.S., Grenoble	France	100.00	100.00
E&L medical systems GmbH, Erlangen 4)	Germany	100.00	100.00
ASS.TEC Beratungsgesellschaft für Anwendungen, Systeme, Strategien und Technologien mbH, Villingen-Schwenningen	Germany	100.00	100.00
proLohn GmbH, Singen	Germany	51.00	0.00
Marabu EDV-Beratung und -Service GmbH, Berlin 5)	Germany	100.00	0.00
CS3I S.A.S., Creuzier-le-Neuf	France	100.00	0.00
Equity Consolidation			
G.I.T.S. Gesundheitswesen IT-Service GmbH Fürstenfeldbruck, Fürstenfeldbruck	Germany	49.00	49.00
Medidata GmbH, Berlin	Germany	25.00	25.00
Palladium-med GmbH, Berlin	Germany	20.00	20.00

1) Use of the exemption rule pursuant to Section 264 Clause 3 of the German Commercial Code.

2) The shares are held indirectly via NEXUS Medizinsoftware und Systeme AG, Altishofen.

3) The shares are held indirectly via Domis Consulting AG, Altishofen.

4) Share under company law is only 95%. There is a put-call option for the remaining 5%.

5) Share under company law is only 93 %. There are forward and option contracts for the remaining 7%.

2. Accounting and Valuation Method

2.1 Principles for Creating the Annual Statement

This Group Financial Report has been prepared in keeping with the provisions of International Accounting Standards Board (IASB) required by the European Union following the balance sheet cut-off date in accordance with Section 315a para. 1 of the German Commercial Code (HGB) and the supplementary commercial law regulations. It is in keeping with the provisions of International Financial Reporting Standards (IFRS) applicable on the cut-off date, including the still applicable International Accounting Standard (IAS) and supplementary interpretations (IFRIC and SIC). All applicable IFRS and IFRIC were considered for the business year 2014. Standards and interpretations of IASB, which are not applicable yet, have not been adopted.

Report Currency

The Group Financial Statement is shown in euros. If not otherwise noted, all values are rounded to thousands (KEUR).

Consolidation Group

In addition to the NEXUS AG as parent company, all operatively active domestic and foreign subsidiaries are included in the Group Financial Statement, for which NEXUS AG has the majority of voting rights directly or indirectly. Three affiliated companies were included in the balance sheets according to the equity method.

Consolidation Principles

All companies included as of 31 December 2014 drew up their Annual Financial Reports as of 31 December. These are shown in uniformly prepared, consolidation-capable financial reports in line with the International Financial Reporting Standards (IFRS) as they must be adopted in the European Union. Group-internal business transactions are eliminated thereafter.

The purchase method is used for company purchases. Capital is consolidated at the time, at which ownership became effective. The shown equity capital of the acquired companies is offset against the book value of participation. The asset values as well as debts and possible debts are included with their current values. Within the context of an identification process, balance sheets did not previously include IFRS 3, but intangible assets were capitalized if it was possible to carry them in the balance sheet. In addition, possible debts should be considered. Remaining value of potential earnings in excess of the book value is capitalized as goodwill according to IFES 3 and/or negative difference amounts are adopted affecting revenue after another check. Purchase price increases due in the future, which are probable, were already capitalized as conditional purchase price at the corresponding market value at the purchase time in goodwill and shown as trade accounts payable.

Trade accounts receivable and payable between the consolidated companies are offset within the context of debt consolidation. Internal sales have been eliminated within the framework of expenditure and revenue consolidation. Elimination of interim results was not required due to its inessential nature.

The consolidated surplus is determined as a completely consolidated period result according to the total costs procedure, in which all revenues and expenses are consolidated between the included companies.

The operating result shares, which other companies are entitled to, are shown separately below the consolidated surplus according or their shares are shown as separate positions within equity capital.

Assets and debts of foreign subsidiaries, whose functional currency is not the euro, were converted according to the rules of IAS 21. The functional currency is the respective country currency for all companies. The balance sheets of the Group Companies in Switzerland are accordingly converted with the cut-off date exchange rate of 1.2024 CHF / EUR (previous year: 1.2269 CHF / EUR), the Profit and Loss Account with the average exchange rate of 1.2146 CHF / EUR (previous year: 1.23091 CHF / EUR) , and the equity capital at historic rates. Any conversion differences resulting from that are entered in the other result in equity capital without effect on net income. The same applies to conversion differences within the context of debt consolidation insofar as it is a question of chargeable receivables and loans, which are to be considered as net investment in a foreign business operation according to IAS 21.32. All other conversion differences, which occur during debt consolidation, are entered with effect on profit.

2.2 Changes of the Accounting and Valuation Method

The adopted accounting and valuation methods correspond in principle to the methods used in the previous year. However, the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) have decreed the adjustment of existing standards as well as a few new interpretations. All applicable International Accounting Standards (IAS) as well as IFRS and IFRIC were considered for the business year 2014. The new or modified standards or interpretations are displayed in the following table, which were used by NEXUS in the business year or were not used admissibly.

New, currently valid requirements

Standard/Interpretation	Title of the Standards/Interpretation or Amendment	Application for business years starting from	Effects on the NEXUS consolidated financial statement
IFRS 10	Consolidated financial statement	1 January 2014	See below.
IFRS 11	Joint Arrangements	1 January 2014	See below.
IFRS 12	Disclosure of Interests in Other Entities	1 January 2014	No notable effects
Amendments to IFRS 10, IFRS 11 and IFRS 12	Transitional provisions	1 January 2014	No notable effects
Amendments to IFRS 10, IFRS 12 and IAS 27	Investment companies	1 January 2014	No notable effects
Amendments to IAS 27	Individual financial statements	1 January 2014	No notable effects
Amendments to IAS 28	Investments in Associates and Joint Venture	1 January 2014	No notable effects
Amendments to IAS 32	Offsetting of assets and liabilities	1 January 2014	No notable effects
Amendments to IAS 36	Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014	No notable effects
Amendments to IAS 39	Novations of derivatives and continuation to apply the hedge accounting requirements	1 January 2014	No notable effects

IFRS 10 Consolidated financial statements

The term of control has been redefined comprehensively. If a company controls another company, the parent company must consolidate the subsidiary. According to the new concept, control exists if the potential parent company has the decision-making power concerning the potential subsidiary based on voting rights or other rights, it participates in positive or negative returns from the subsidiary and these returns can influence its decision-making power.

The standard is to be applied for the first time for business years, which begin on or after 1 January 2014. IFRS 10 is to be applied retroactively, with certain exceptions.

The new standard does not have any noteworthy effects on NEXUS Group.

IFRS 11 – Joint Arrangements

The balancing of accounts of joint arrangements is regulated new with IFRS 11. According to the new concept, a decision is to be made concerning whether a joint operation or joint venture exists. A joint operation exists if the jointly controlling parties have direct rights to the assets and obligations for liabilities. The individual rights and obligations are balanced in the consolidated financial statements prorated. In a joint venture on the other hand, the jointly controlling parties have rights to net assets. This right is depicted by application of the equity method in the consolidated financial statements; as a result, the option proportional inclusion in the consolidated financial statements is canceled.

The standard is to be applied for the first time for business years, which begin on or after 1 January 2014. Specific transition regulations exists for the transition, e.g., from proportional consolidation to the equity method.

Because NEXUS Group does not currently include any joint ventures in its consolidated financial statements, application of IFRS 11 in connection with the changed IAS 28 does not result in any change to the Group profit and loss structure.

Future Requirements

Standard/Interpretation	Title of the Standards/Interpretation or Amendment	Application for business years starting from[1]	Effects on the NEXUS consolidated financial statement
EU Endorsement received by 31 December 2014			
IFRIC 21	Levies	1 July 2014	Effects still to be determined
Improvements to IFRS 2011 – 2013	Changes to IFRS 1, IFRS 3, IFRS 13 und IAS 40	1. January 2015	Effects still to be determined
EU Endorsement will be received by the time of drawing up of the consolidated financial statements			
Amendments to IAS 19	Performance-oriented plans: Employee contributions	1 July 2014	Effects still to be determined
Improvements to IFRS 2010 – 2012	Changes to IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 16, IAS 24 und IAS 38	1 July 2014	Effects still to be determined
EU-endorsement still pending			
IFRS 14	Regulatory deferrals	1. January 2016	No notable effects
Amendments to IFRS 10, IFRS 12; IAS 28	Application of the exception provision for consolidation	1. January 2016	No notable effects
Amendments to IFRS 10 and IAS 28	Selling or investing assets in affiliated companies or joint ventures	1. January 2016	No notable effects
Amendments to IFRS 11	Balancing accounts a purchase of shares in joint operations	1. January 2016	No notable effects
Amendments to IAS 16 und IAS 38	Clarification permitted methods of depreciation	1. January 2016	Effects still to be determined
IFRS 15	Sales revenue from contracts with customers	1. January 2017	Effects still to be determined
Amendments to IAS 16 und IAS 41	Agriculture: Bearer Plants	1. January 2016	No notable effects
Amendments to IAS 27	Equity method in individual financial statements	1. January 2016	Effects still to be determined
Improvements to IFRS 2012 – 2014	Amendments to IFRS 5, IFRS 7 and IFRS 34	1. January 2016	Effects still to be determined
Amendments to IAS 1	Appendix information	1. January 2016	Effects still to be determined
IFRS 9	Financial Instruments	1. January 2018	Effects still to be determined

1) NEXUS plans initial application pursuant to legal regulations.

IFRS 15 – Revenue from Contracts with Customers
With this standard, the previous standards and interpretations, IAS 11 Construction Contracts and IAS 18 Revenue as well as the interpretations IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfers of Assets from Customers and SIC 31 Jointly Controlled Entities-Non-Monetary Contributions by Venturers, which contained the previous regulations for revenue recognition, were combined. IFRS 15 is industry-overlapping, to be applied to all revenue transactions, and contains a principle-oriented, five-phase model. In the future, revenue is recognized at transfer of control of goods and services to customers. The transfer of chances and risks only represents an indicator now. In addition, explicit rules for multiple component transactions are contained in IFRS 15, and new guidelines which regulate whether revenues are to be entered for a specific time or ewer a time frame. New revenue thresholds have also been introduced for variable revenues

The standard is to be applied for the first time for business years, which begin on or after 1 January 2017. Earlier application is permitted and recommended. EU endorsement is still pending.

NEXUS Group is in the process of determining the effects from the changed standard. No reliable information can be provided at this time concerning whether and which effects will take place.

2.3 Error correction pursuant to IAS 8.41 ff.

The German Financial Reporting Enforcement Panel (Deutsche Prüfstelle für Rechnungslegung DPR e.V.) has subjected the consolidated financial statements of NEXUS AG to a random check for the business year 2012, independent of any reason therefor. According to the conclusions of DPR, two company acquisitions from the years 2011 and 2012 were shown in the consolidated financial statements as of 31 December 2012 as too high and a value change from financial liabilities from put/ call option contracts was entered incorrectly in other comprehensive income.

The comparative figures for the business year 2013 were corrected as follows pursuant to IAS 8.

- Value changes from financial liabilities from put/ call option contracts for acquisition of non-controlling shares in company acquisition, for which a complete acquisition was assumed according to the anticipated purchase method, were shown incorrectly in the cumulated other Group result in the amount of KEUR 310 in the business year 2012. Because we believe that this is not a decisive error in the sense of IAS 8.41/42 and the error was already detected in 2013, there was already a correction in the current calculation in the year-end statement of 31 December 2013. Because the declared objective of NEXUS is to implement all remarks of DPR, we corrected this retroactively in the sense of IAS 8.41 ff.
- For two company values in the business years 2011 and 2012, the majority of shares were purchase and put/call options were agreed upon for future purchase of the remaining shares at the same time. In the calculation of the expected pay-out transaction, a separate transaction pursuant to IFRS 3.51 in connection with IFRS 3.52 (b) and IFRS 3 Annex B55 was not considered for the subsequent periods, so that the purchase price liabilities and corresponding goodwill of DOMIS Consulting AG was shown too high by KEUR 400 and that of E&L medical systems GmbH by KEUR 845.

Value changes of put/call options

Value changes of the conditional purchase price are entered in equity capital (profit carried forward) for put-call options concluded within the context of company acquisitions, which are depicted using the anticipated acquisition method. In the business year 2012, the value changes from a put/call option were entered in Other comprehensive income instead of profit carried forward. This has been corrected in the current statement in the business year 2013.

Acquisition of DOMIS Consulting AG

At the acquisition time and on 31 December 2012, the purchase price liability and the corresponding goodwill was shown as KEUR 400 too high. There is a separate transaction pursuant to IFRS 3.51 in this amount in connection with IFRS 3.52 (b) and IFRS 3 Annex B55.

This transaction is a performance due in the long term in the sense of IAS 19.153 ff. The corresponding liability is to be entered structured prorated pursuant to IAS 19.153 ff. and pursuant to IAS 19.156 in profit and loss. Until 31 December 2012, the complete amount was to be entered affecting earnings, so that the profit carried forward as of 1 January 2013 was to be corrected.

Acquisition of E&L medical systems GmbH

At the acquisition time and on 31 Dec. 2012, the purchase price liability and the corresponding goodwill was shown as KEUR 845 too high. There is a separate transaction pursuant to IFRS 3.51 in this amount in connection with IFRS 3.52 (b) and IFRS 3 Annex B55.

This transaction is a performance due in the long term in the sense of IAS 19.153 ff. The corresponding liability is to be entered structured prorated pursuant to IAS 19.153 ff. and pursuant to IAS 19.156 in profit and loss. There are prorated expenditures in the amount of KEUR 94 for the business year 2012.

From the further development of the transaction, there are additional expenditures in the amount of KEUR 380 in the business year 2013 pursuant to IAS 19.

	Effects of the changes of error corrections pursuant to IAS 8.41 ff.				
	As previously reported	Value changes of put/call options	Company value of DOMIS Consulting AG	Company value of E&L medical systems GmbH	Adjusted
	KEUR	KEUR	KEUR	KEUR	KEUR
Consolidated Balance Sheet as of 1 January 2013					
Goodwill	25,227		-400	-845	23,982
Profit carried forward	-22,398	310	400	94	-21,594
Consolidated surplus	-6,094				-6.094
Other cumulated Group result	827	-310			517
Other financial debts	-5,030			751	-4,279
Consolidated Balance Sheet as of 31 December 2013					
Goodwill	25,721		-400	-845	24,476
Profit carried forward	-25,787		400	94	-25,293
Consolidated surplus	-7,601			380	-7,221
Other cumulated Group result	1,088				1,088
Other financial debts	-2,754			371	-2,383
Group Profit and Loss Statement for the business year from 1 January 2013 to 31 December 2013					
Other operating income	2,424			-11	2,413
Personnel costs	-40,586			-369	-40.955
Group Statement of Comprehensive Income for the business year from 1 January 2013 to 31 December 2013					
Change of the fair value of purchase price liabilities	310	-310			0

The effects of the changes of error corrections pursuant to IAS 8.41 ff. are shown in the following table.

The result per share changes as a result by EUR 0.02 to EUR 0.48 in the business year 2013.

2.4 Essential discretionary decisions, assessments and assumptions

The most important discretionary decisions with respect to the future as well as any other essential sources of estimate uncertainties on the cut-off date, based on which a substantial risk exists that a substantial adjustment of accounting value of asset values and liabilities will be required, are explained below.

Depreciation of Goodwill

The Group checks at least once annually whether goodwill has depreciated. This requires estimation of the achievable amount of the cash-generating units, to which the goodwill is allocated.

The attainable amount of an asset is the higher of the two amounts from the adjusted current value of a cash-generating unit minus sales costs and the utilization value. To estimate the utilization value, the Group must also estimate the future cash flow on one hand as well as an appropriate discount rate to determine the cash value of this cash flow.

Identified Customer Base and Technology at Company Acquisitions

The adjusted current value of the acquired maintenance contracts (customer base) and acquired technology at the time of the company acquisitions was determined on the basis of estimated benefits, especially on the basis of future expected payment surpluses discounted by an appropriate interest rate and written off over the expected time of use based on an assumed annual loss of customers.

Brand Rights Identified at Company Acquisitions

The fair value of acquire brand rights was calculated based on the license price analogy method. In this context, the value of the intangible asset was calculated as present value of saved license payments. To this end, which customary market license payments would be due fictitiously if the intangible asset in question were the property of a third party. The fictitious post-tax license payments are discounted with an appropriate interest rate on the valuation key date.

Development Costs

Development costs are capitalized in line with the balance sheet and valuation method explained in Appendix position 2.5. The future course of benefits of the self-created developments is to be estimated for determining the depreciation type and period of capital expenditure for manufacturing costs.

Securities

Securities were classified as financial assets available for sale (AfS). Correspondingly, rate decreases and increases are entered under other revenue in equity capital until sale of the securities. Contrary to this, rate losses parked in equity capital until then are to be entered as expense even without sale if there are objective indications of a decrease in value. The assessment required here is subject to discretionary leeway.

Credited deferred taxes

Credited deferred taxes are entered for all losses carried forward for taxes in the amount, in which it is probable that the income to be taxed for this is available and will remain available for this, so that losses carried forward can actually be used. Competent authority discretion of company management is to be used for determining the amount of credited deferred taxes on the basis of the expected fulfillment time and the amount of the income to be taxed in the future as well as the future tax planning strategies.

Pensions and Other Claims Payments after Termination of Employment

The expenses from performance-oriented plans are calculated using actuarial principles. The actuarial assessment is made based on the assumptions with respect to the discount rate allowed on advance payment of taxes, future wage and salary increases, mortality and future pension increases. Corresponding to the long-term orientation of these plans, such estimates are subject to substantial uncertainties.

2.5 Summary of the Essential Accounting and Valuation Method

Balance Sheet Format

Asset and debt positions in the balance sheet are classified according to their time to maturity. The Profit and Loss Account was drawn up according to the total cost type of short-term results accounting.

Financial Instruments

A financial instrument is a contract, which at the same results in creation of financial asset for one company and creation of financial liability or an equity capital instrument for another company. The financial instruments shown in the balance sheet (financial assets and financial liabilities) in the sense of IAS 32 and IAS 39 cover specific financial assets, trade account receivables, participating shares, securities, liquid funds, short-term loans, trade account payables as well as certain other assets and liabilities based on contractual agreements. In line with IAS 39, financial assets and liabilities are classified in the following categories:

a) Financial liabilities, which are valued at cost less depreciation (FLAC),
b) Financial assets/liabilities (FVTPL (HfT)) (kept for trading purposes) affecting net income at fair value,
c) Financial assets available for sale (AfS)
d) Loans and receivables (LaR) extended by the NEXUS Group.

The fair value option is not used. At the initial entry on the balance sheet, these financial assets or liabilities are entered with their fair value plus transaction price. Entry is on the trading day on principle. Subsequent assessment varies for the different categories of financial assets or liabilities and is described within the context of the accounting methods of the respective balance sheet positions. Equity derivative financial instruments, especially securities, are entered in the position for sale of available financial assets. Profits and losses from changes of the fair market value of financial assets available for disposal are entered under other revenue in equity capital. Although the Group is active internationally, most of its business is in Europe and consequently it only has limited market risks due to changes of exchange rates. With respect to financial assets valuated on carried forward procurement costs, it is first determined whether an objective indication exists for decrease in value of financial assets, which are significant in themselves, individual and for financial assets, which are not significant in themselves and exist individually or jointly. Indicators here are especially defaults. If the Group determines that there is no objective indication of a decrease in value for one single examined financial asset, it includes the asset in a group of financial assets with comparable default risk profiles and examines them together for decrease in value. Assets, which are examined individual for decrease in value and for which the value is adjusted or which is still entered, are not included in a joint assessment of decrease in value. If there are objective indications that a decrease in value has occurred, the amount of the decrease in value loss is the difference between the book value of the asset and the cash value of the expected future cash flows.

The book value of the asset is reduced using a value adjustment account and the decrease in value loss is entered affecting the result. At final loss, the asset is written off with simultaneous use of the valuation adjustment account.

Intangible Assets

Acquired intangible assets are evaluated in the first-time report about procurement costs. The procurement costs of intangible assets, which were acquired at a company merger, correspond to the adjusted fair value at the acquisition time. Intangible assets are shown if it is probable that the future economic benefit allocated to the asset will go to the company and that manufacturing costs of the asset can be measured reliably. After first-time reporting, intangible assets are reported with their procurement or manufacturing costs minus every cumulated depreciation and all cumulated expenditures for impairment of value.

Self-procured intangible assets are not capitalized with exception of capitalized development costs. Costs connected with that are recorded as affecting operational results in the period, in which they occur. Whether intangible assets have a limited or unspecified utilization period must be determined first. Intangible assets with limited utilization period are written off over the useful economic life and examined for possible decrease in value. The depreciation period and the depreciation method are checked for an intangible asset with a limited utilization period at least until the end of each business year. If the expected utilization period of the asset changed, a different depreciation period or a different depreciation method is selected. Such changes are treated as changes of an estimate. Write-offs on intangible assets with limited period of use are shown in the Profit and Loss Account under amortizations. Impairment tests are conducted for intangible assets with limited utilization period at least once per year. These intangible assets are not written off systematically. The utilization period of an intangible asset with unspecified utilization period is checked once annually to determine whether the estimate of an unspecified utilization period remains justified. If this is not the case, the estimate is changed from an unspecified utilization period to a limited utilization period on a tentative basis. Profits or losses from the writing off of intangible assets are determined from the net capital gain and the accounting value of the asset and are entered affecting operational results in the period, in which the item was written off. The intangible assets contain maintenance contracts/ customer master, brands, software, technologies, goodwill and development costs.

a) Maintenance Contracts, Customer Base

The Group acquired software maintenance contracts within the context of company acquisitions in previous years as well as in the past year. An average period of use of 10 years was assumed for the customer bases. The write-off method corresponds to the expected consumption of the future economic benefit of the asset.

b) Software

Software is capitalized with its procurement costs and shown as an intangible asset. Software will be written off linearly during a period of four to six years.

c) Technologies

Technology-related assets refer to process and development know-how, which were acquired within the context of company acquisitions in the past years as well as in last year. Technologies are available to the Group in the long term and will be written off linearly over a period of 10 years on principle.

d) Goodwill

The excess of procurement costs of a company at the adjusted fair values over the sum of identifiable assets and debts at the purchase time is called goodwill and entered in the balance sheet as an asset. For the purpose of checking whether deprecation exists, the goodwill must be allocated from the takeover day to each of the cash-generating unit or groups of cash-generating units, which should reap benefits from the synergies of the merger. This applies independent of whether other assets or debts of the Group have already been allocated to these units or groups of units. Each unit or group of units, which is allocated to goodwill, represents the lowest level within the Group on which goodwill is monitored for internal management purposes; it is not larger than a business segment as it is set according to IFRS 8 "Business segments". The depreciation is determined by the calculation of the achievable amount of the cash-generating unit (group of cash-generating units), to which the goodwill refers. If the utilization amount of the cash-generating unit is less than the accounting value, expenditure for depreciation is entered. The value reduction is first allocated to the complete amount of goodwill. Any further value reduction is allocated proportionately to the book values of the other assets of the payment-generating unit. In cases, in which the goodwill represents a part of the cash-generating unit and part of this business area is sold, the goodwill attributed to the sold business area is included as a component of the accounting value of the business area in determining the result from the sale of the business area. Goodwill, which is sold in this way, is determined on the basis of the ratio of the sold business area to the part of the cash-generating unit not sold. Depreciated goodwill is no longer subject to appreciation.

e) Brands

Valuation of a brand considers the dissemination and utilization within different information systems on the market and is based on the brand strength and dissemination within the target group. It is conducted using a procedure oriented to capital value and based on the five-year planning of management and the business year 2014. Based on this business year, the revenues are calculated using a constant growth rate. It is available unlimited to the Group and consequently is not subject to depreciation. The valuation base is tested at least once annually for decrease in value to determine whether facts indicate that the book value could have decreased.

f) Development Costs
Development costs are capitalized as intangible assets with their manufacturing costs insofar as the prerequisites pursuant to IAS 38.57 are fulfilled. If these prerequisites do not exist, the development costs are entered affecting the result in the year they occurred. In the case of capitalizing, the manufacturing costs cover all cost directly attributable to the development process as well as appropriate parts of development-related overhead costs. Financing costs are not capitalized. Depreciation is written off linearly during a period of four to six years starting from completion. The write-offs of the development costs are contained in the amortizations of intangible assets and fixed assets in the Profit and Loss Account. As long as the use readiness of a capitalized development does not exist yet or there are indications of depreciation, the capitalized amount of development costs is checked for depreciation once annually.

Fixed Assets
Fixed assets are shown at the procurement or manufacturing costs minus cumulated, regular amortization and cumulated depreciation. The original procurement costs of fixed assets cover the purchase price as well as all directly attributable costs to use the asset in operations. The manufacturing costs of fixed assets cover expenses, which arise due to consumption of goods and use of services for the manufacturing. In addition to itemized costs, this includes an appropriate share of the required overhead costs. Borrowing costs are recorded in the period, in which they occur. Regular write-offs are made under consideration of normal operational life. Linear depreciation is used as depreciation method.

The estimated period of use is:
1. For renter installations: 5 to 10 years
2. For other equipment, factory and office equipment: 3 to 8 years.

The accounting value of plants, equipment and other fixed assets is checked if there are indications that the accounting value of an asset exceeds its attainable amount. Plant, equipment or other fixed assets are either written off at retirement or if no economic benefit can be expected from further use or sale of the asset. Profits or losses from the writing off of the asset are determined as difference between the net capital gain and the accounting value of the asset and are entered in the consolidated surplus with effects on the operational results. The remaining value of the assets values, utilization periods and depreciation methods are checked at the end of each business year and adapted if necessary.

Financial Assets
The shares in affiliated companies are carried in the balance sheet according to IAS 28 in line with the equity method. An affiliated company is a company, over which the Group has decisive influence and which is neither a subsidiary nor a joint venture. A joint venture is a company managed jointly by a partner company based on a contractual agreement. According to the equity method, the investments in a company are entered in the balance as procurement costs plus the changes of the share of the company in the net worth of the affiliated company following acquisition. The goodwill connected with a company is contained in the accounting value of the share and is not written off systematically. When the equity method is used, the Group determines whether consideration of additional expenditure for depreciation is required with respect to the net investment of the Group in the integrated company. The consolidated surplus contains the share of the Group in the success of companies included according to the equity method. Changes entered directly in the equity capital of the integrated company are also entered by the Group in the amount of its share directly in equity capital and – if required – in the list about changes of equity capital. The balance sheet cutoff date of the affiliated companies corresponds to that of the Group. The balance sheet date and the accounting and estimation methods of the affiliated companies and the Group are similar business without essential deviations from the viewpoint of the Group. The other financial assets were valuated according to IAS 39 at their carried forward procurement costs.

Deferred Taxes
Deferred taxes are determined using accounting-based liabilities method on all existing temporary differences the reported value of an asset or a liability in the balance sheet and the taxable value on the balance sheet date. Deferred tax liabilities and assets are entered for all temporary differences to be taxed. The following exceptions apply to this:
- A deferred tax liability from the first-time reporting of goodwill as well as
- Deferred tax liabilities or deferred tax assets from the first-time reporting of an asset or liability for a business transaction, which is not a company merger and which does not influence either the result in the balance sheet before taxes or the result to be taxed, may not be shown.
- Deferred tax liabilities from temporary differences to be taxed,

which are related to participation in subsidiaries, branches, affiliated companies and shares in joint ventures, may not be shown if the temporal course of the reversal of temporary differences can be controlled and it is probable that the temporary differences will not be reversed in the foreseeable future.

- Deferred claims under tax relationships are entered for all temporary differences liable for deductions, taxable losses carried forward not used yet, and tax credits not used yet in the measure, in which it is probable that the income to be taxed will be available against which the temporary differences liable for deductions, taxable losses carried forward not used yet, and tax credits can be used. This also applies to deferred tax claims from temporary differences liable for deductions, which are in connection with shares in subsidiaries, branches, affiliated companies and joint ventures.

The accounting value of the deferred tax claims is checked on each balance sheet date and reduced in the amount, in which it is no longer probable that a sufficiently large result to be taxed will be available against which the deferred tax claim can be used at least in part. Not shown deferred tax claims are checked on each balance sheet date and shown in the amount, in which it has become probable that a result to be taxed in the future will make it possible to use the deferred tax claim. Deferred tax claims and liabilities are measured using the tax rates, the validity of which is expected for the period in which the asset will be realized or a debt paid. When this is done, the tax rates (and tax regulations) are used as a basis, which are valid or announced for the balance sheet date. Deferred taxes, which refer to positions that are entered directly under other revenue, are also entered in equity capital there. Deferred tax claims and deferred tax liabilities are offset if the Group has a cause of action for offsetting actual tax refund claims against actual tax liabilities and these refer to revenue taxes of the same tax subject, which were levied by the same tax authority.

Inventories

Inventories include raw materials, consumables and supplies as well as finished and incomplete performances are evaluated with lower value from the procurement or manufacturing costs and the net sale value. In addition to itemized costs, the manufacturing costs contain an appropriate share of the required material and product overhead costs as well as product-related depreciation, which can be allocated directly to the performance process. Costs of administration are considered insofar as then can be attributed to the performance process. Loan capital interest is not to be capitalized, because no qualified assets exist. Inventories, which cannot be sold, are written off completely. The net sale value is the estimated sale price, which can be expected in a normal business transaction, minus the estimated costs until completion and the estimated, and the estimated, required sale costs.

Receivables and Other Assets

The receivables and other assets, which normally have a maturity period of 30-90 days, are entered with the original invoice amount minus valuation adjustment for uncollectible receivables. Value adjustment is performed if a substantial and objective indication exists that the Group will not be able to collect the receivables. Receivables are written off if they cannot be collected.

Loan against borrower's note

The borrower's note loan was concluded in July 2011. It has a term of four years, is a bullet maturity issue and has a variable interest rate. Interest is calculated respectively after the six month Euribor plus an increasing surcharge. In April 2014, another borrower's note loan was concluded with a term of three years; notice of cancellation can be given three months in advance to the end of a quarter respectively. Interest calculation is based on the three month Euribor.

Securities

Securities are classified as “financial assets available for sale”. At initial entry in the balance sheet, these are shown with procurement costs, which correspond to the value at the time of the given counter-performance. Transaction costs are included in the initial assessment. After the initial inclusion, securities are assessed with their adjusted current value without deduction or with any transaction costs at their sale. The adjusted current value at the time is based on the publicly listed prices of a securities market. The non-realized profits or losses are entered under other revenue in the list via the changes of the equity capital until the financial asset is sold, redeemed or otherwise disposed of, or until an impairment of the financial asset was determined, so that the previously entered under other revenue in equity capital, cumulated profit or loss is to be included in the consolidated surplus at this time. Decreases in value are entered with effect on the result.

Liquid Funds

Liquid funds are composed of cash balance and credit balances at banks. These have a remaining term of fewer than three months and comply with the requirements pursuant to IAS 7.7.

Depreciation of Long-Term Non-Financial Assets

The Group evaluates on each balance sheet date whether indications exist that an asset could have depreciated. If such indications exist or if annual checking of an asset for depreciation is required, the Group estimates the attainable amount of the respective asset. The attainable amount of an asset is the higher of the two amounts from the adjusted current value of an asset or a cash-generating unit minus sales costs and the utilization value. The attainable amount should be determined for each individual asset unless an asset does not generate any injection of funds, which are mainly independent from other assets or other groups of assets. If the accounting value of an asset exceeds its attainable amount, the asset is considered depreciated and written off at its attainable amount. The estimated cash flows are discounted at their cash value (based on a discount rate allowed before payment of taxes) and are used for determining the utilization value, which reflects current market expectations with respect to the rate of interest effect and the specific risks of the asset. Depreciation expenses of business areas to be continued are entered in the item Depreciations. A check is made on each reporting cut-off date with exception of the goodwill to determine whether indications exist that expenditure for depreciation, which was entered in previous reporting periods, no longer exists or could have decreased. If such an indication exists, the attainable amount is estimated. A previously entered expenditure for depreciation should be canceled if estimates have changed since the entry of the last expenditure for depreciation, which was used for determining the attainable amount. If this is the case, the accounting value of the asset should be increased to its attainable amount. This increased accounting value may not exceed the accounting value, which would result after consideration of write-offs if no expenditure for depreciation had been entered in previous years. Such a value adjustment is to be entered immediately in the consolidated surplus. After a value has been adjusted, the expenditure for depreciation should be adjusted in future reporting periods to split the corrected accounting value of the asset, minus any remaining accounting value, among its remaining utilization period.

Stock-Based Payment

Appreciation rights were granted to the Executive Board in 2011, which can only be settled in cash (transactions with cash settlement). The costs incurred due to translations with cash settlement are initially valuated with application of a binominal model at the adjusted fair value of their granting. The adjusted fair value is split over the time until the day of the first exercise option affecting net income under entry of the corresponding debt. The debt is recalculated at each cut-off date and on the fulfillment day. Changes of the adjusted fair value are entered in the expenditures for employee benefits.

In May 2014, share-based compensation was agreed upon with the Executive Board members, which was settled in real shares. It is composed of maximum 160,000 real shares, which become due annually over the term and are based on the development of stock prices between 2015 and 2017. The costs, which are incurred due to share-based compensation with settlement in equity capital instruments, are valuated with application of a market-price model at the adjusted fair value at the time of their granting. The adjusted fair value determined this way is entered prorated during the vesting period affecting net income in capital reserves.

Handling of Put-Call Options

Value changes of the conditional purchase price are entered in equity capital (profit carried forward) for put-call options concluded within the context of company acquisitions, which are depicted using the anticipated acquisition method.

Pension Accruals

The Group has four pension plans in Germany. The performances are not financed via funds, with exception of one company. In addition, financial obligations from the pension scheme according to Swiss federal law exist in Switzerland for employee old-age, survivors' and disability benefits (BVG). Expenditures for the services granted within the context of the performance-oriented plans are determined separately for each plan using the potential pension cash value method (IAS 19). Actuarial profits or losses are entered under other revenue in equity capital after consideration of deferred taxes without affecting the operational result. The reference tables 2005 G of Heubeck-Richttafeln-GmbH are used as biometric calculation basis (death and disability probability of beneficiaries, probability of being married at time of death).

Other Accruals

Accruals are created if a current obligation exists with respect to a third party from a past event, which will probably result in outflow of resources in the future and the amount of which can be estimated reliably. Valuation of accruals is according to IAS 37 with the best possible estimate of expenditures, which would be required for fulfilling the current obligations as of the balance sheet cut-off date. Accruals for outlays are not shown. If an essential interest effect results from the fulfillment time of the obligation, the accrual is carried in the balance sheet at cash value. An increase of accruals over time is entered under financial expenditures.

Liabilities

Liabilities are shown in the Group balance sheet when NEXUS has a contractual obligation to transfer means of payment or other financial assets to another party. The initial valuation of a liability is at the adjusted current value of the received counter-performance or at the value of the received means of payment minus any incurred transaction costs. Subsequent valuation of liabilities is at the carried forward procurement costs using the effective interest rate method. Financial liabilities are taken off the books when the contractual obligation has been paid, canceled or expired.

Possible Liabilities
Possible liabilities are not shown in the Group Financial Report until their use becomes probable. They are shown in the Group Financial Report if their use is not improbable.

Sales
The Group sells software licenses and services connected with that, which serve for implementation, maintenance and other services. The company normally grants its customers use of the software for unlimited time. The Group also sells hardware. Revenues are entered when it is probable that the economic benefits will flow to the Group and the amount of revenue can be determined reliably.

License sales are realized in the amount of the agreed-upon license fee according to IAS 18. Realization is performed at delivery if nothing else was agreed upon in the contract, because no essential modifications are required. Consulting services are invoiced monthly according to work performed. Maintenance services are invoiced in installments during the service period.

Sales revenue, which is connected to contracts, for which a fixed price was agreed upon, is realized according to the percentage-of-completion method corresponding to the progress of the performance. To this end, the costs incurred until the balance sheet cut-off date are set in relation to the expected costs according to the project calculation and consequently the degree of completion is estimated. An expected loss from the order is entered immediately as expenditure. Sales of consulting or other services are normally realized in multiple component contracts independent of the realization of software sales, because these services are not essential for the software functions. Revenues for consulting and other services are realized as soon as they are provided. Realization is normally on the basis of performed and measured hours and refundable expenses. The value of a maintenance element is measured according to contractually set rates. The software share is realized with the residual value.

Expenditure Realization
Expenditures are recorded as affecting operational results in the period, in which the corresponding use of value was caused.

Finance Income
inance income is entered at the time it occurs.

Finance Expenses
Payments for loans are entered as expenditures. There is no capitalization of interest rate on borrowings according to IAS 23, because no qualified assets exist.

Foreign Currencies
Foreign currency transactions are entered in the report currency by converting the foreign currency at the exchange rate between the report currency and the foreign currency valid at the time of the business transaction. Conversion differences from processing monetary positions as well as from the cut-off date evaluation of exchange rates, which differ from those original entered during the period, are entered as expenses or revenue in the period, in which they occurred.

Operating Lease Relation
A leasing relation is classified as an operating leasing relation if all risks and chances associated with ownership remain with the lessor. Leasing payments within an operating leasing relation are entered linearly as expenses in the consolidated surplus during the period of the leasing relation.

3. Company Mergers

Acquisition of proLohn GmbH, Singen/Hohentwiel

NEXUS AG expanded its engagement in the area of SAP-ERP consulting with the acquisition of more than 51% of the shares of proLohn GmbH in Singen, on 8 September 2014.

KEUR 170 was paid in cash as purchase price.

The purchased assets and debts were included in the balance sheet with their adjusted, current value and are as shown as follows:

Assets/debts of proLohn GmbH, Singen	**Fair Value at Acquisition Time**
	EUR
Intangible Assets	92,476.88
Fixed Assets	6,930.00
Other assets	185,756.66
Receivables	267,939.91
	553,103.45
Deferred tax liabilities	23,179.00
Other Accruals	1,930.00
Liabilities	553,664.94
	578,773.94
Net assets on 1 September 2014	-25,670.49
Share to be valuated at fair value without dominant influence	12,578.54
Goodwill	183,091.95
Total acquisition price	**170,000.00**
The acquisition costs are composed of the following	
Purchase price paid in cash	170,000.00
Total acquisition price	**170,000.00**
Means of payment from this acquisition developed as follows	
Purchase price paid in cash	170,000.00
Purchased means of payment	0.00
Outflow of funds	**170,000.00**

The identified and evaluated assets and debts identified in allocating the purchase prices are essentially composed of customer relations (KEUR 23) and technology (KEUR 59) at the purchase time. The receivables are shown at their gross value. The value was not adjusted, because complete intake of all outstanding receivables is expected. Goodwill results from the purchase price allocation in the amount of KEUR 183. The share of equity capital attributed to minority shareholders amounts to KEUR 13.

For 2014, sales with third parties amounted to KEUR 485, and the contribution to the consolidated surplus was KEUR -17. The miscellaneous procurement costs in the amount of KEUR 17 are entered affecting the result.

If the company had been acquired at the beginning of the year, sales revenue would have amounted to KEUR 1,186 and the contribution to consolidated net earnings to KEUR 23.

Acquisition of Marabu EDV-Beratung und – Service GmbH, Berlin

NEXUS AG purchased 93% of the shares of Marabu EDV-Beratung und -Service GmbH, Berlin, on 24 September 2014. Marabu EDV-Beratung und -Service GmbH is active in area for developing solutions for archiving processes with 40 employees and sales of approx. 2.9 million EUR. With PEGASOS, NEXUS has strengthened its portfolio in the areas of clinical information systems for hospitals, residential and rehabilitation institutions (NEXUS / CIS) and supplement its diagnostic department systems (NEXUS / DIS) by an archiving solution.

The purchase price of KEUR 1,860 was paid in cash. A forward and option contract was concluded for the remaining 7 %. According to IAS 32.23, the obligation to buy shares of non-controlling partner is to be carried in the balance sheet as liability with the expected purchase price. Within the context of the purchase, there is a separate transaction to be shown in the balance sheet in the sense of IFRS 3. B54 f. This transaction is a performance due in the long term in the sense of IAS 19.153 ff. The corresponding liability is to be entered structured prorated pursuant to IAS 19.153 ff. and pursuant to IAS 19.156 in profit and loss. The financial liability entered for this in the reporting year is KEUR 23.

The purchased assets and debts were included in the balance sheet with their adjusted, current value and are as shown as follows:

Assets/debts of Marabu EDV-Beratung und -Service GmbH, Berlin	Fair Value at Acquisition Time
	EUR
Intangible assets	380,337.42
Intangible Assets	2,035,745.41
Fixed Assets	22,062.12
Reserve	33,470.67
Other assets	59,194.02
Receivables	154,637.97
	2,685,447.61
Deferred tax liabilities	613,295.00
Other accruals	138,615.43
Liabilities	830,896.10
	1,582,806.53
Net assets on 1 October 2014	**1,102,641.08**
Goodwill	1,573,326.24
Total acquisition price	**2,675,967.32**
The acquisition costs are composed of the following	
Purchase price paid in cash	1,860,000.00
Purchase price still to be paid in cash	700,000.00
Conditional purchase price	115,967.32
Total acquisition price	**2,675,967.32**
Means of payment from this acquisition developed as	
Purchase price paid in cash	1,860,000.00
Purchased means of payment	380,337.42
Outflow of funds	**1,479,662.58**

The identified and evaluated assets and debts identified in setting the purchase prices are essentially composed of technology (KEUR 681), customer relations (KEUR 752) and a brand (KEUR 599) at the purchase time. The receivables are shown at their gross value. The value was not adjusted, because complete intake of all outstanding receivables is expected. Goodwill results from the purchase price allocation in the amount of KEUR 1,573.

For 2014, sales with third parties amounted to KEUR 1,243, and the contribution to the consolidated surplus was KEUR 235. The miscellaneous procurement costs in the amount of KEUR 40 are entered affecting the result.

If the company had been acquired at the beginning of the year, sales revenue would have amounted to KEUR 2,893 and the contribution to consolidated net earnings to KEUR -69.

Acquisition of 100 % of CS3I, S.A.S., Creuzier-le-Neuf (F)

NEXUS AG, Villingen-Schwenningen, purchased 100% of the shares of CS3I S.A.S., Creuzier-le-Neuf (F), on 30 October 2014. With approx. 35 employees, the company is the market leader for hospital information systems in private French clinics. The focal point of the software solution e-med is a comprehensive patient record, which is designed for the special requirements of private clinics. NEXUS is strengthening its market presence in France with CS3I and increasing its market share, especially in the area of private clinics. The French subsidiary NEXUS / OPTIM is already represented strongly in the area of OP and sterilization systems in French private clinics.

The purchase price is calculated from the sales price paid in cash (KEUR 3,000) and the conditional purchase price (KEUR 1,081) together.

The purchased assets and debts were included in the balance sheet with their adjusted, current value and are as shown as follows:

Assets/debts of CS3I S.A.S., Creuzier-le-Neuf (F)	**Fair Value at Acquisition Time**
	EUR
Intangible assets	74.272,00
Intangible Assets	3.287.772,66
Fixed Assets	59.880,00
Financial Assets	193,00
Other assets	247.293,00
Receivables	1.170.394,00
	4.887.707,66
Deferred tax liabilities	383.116,00
Other accruals	7.210,00
Liabilities	1.965.860,43
	2.356.186,43
Net assets on 1 November 2014	**2.531.521,23**
Goodwill	1.549.651,81
Total acquisition price	**4.081.173,04**
The acquisition costs are composed of the following	
Purchase price paid in cash	3.000.000,00
Conditional purchase price	1.081.173,04
Total acquisition price	**4.081.173,04**
Means of payment from this acquisition developed as	
Purchase price paid in cash	3.000.000,00
Purchased means of payment	74.272,00
Outflow of funds	**2.925.728,00**

The identified and evaluated assets and debts identified in allocating the purchase prices are essentially composed of customer relations (KEUR 565) and a brand (KEUR 584) at the purchase time. The receivables are shown at their gross value. The value was not adjusted, because complete intake of all outstanding receivables is expected. Goodwill results from the purchase price allocation in the amount of KEUR 1,550.

For 2014, sales with third parties amounted to KEUR 517, and the contribution to the consolidated surplus was KEUR 79. The acquisition costs have been entered affecting net income.

If the company had been acquired at the beginning of the year, sales revenue would have amounted to KEUR 2,568 and the contribution to consolidated net earnings to KEUR 86.

Acquisition of 100% of the shares of quCare Solutions B.V., Nieuwegein (NL), after the balance sheet key date

NEXUS AG, Villingen-Schwenningen, purchased 100% of the shares of quCare Solutions B.V. (NL) on 9 February 2015. The acquired company concentrates on development, sales and distribution, implementation and maintenance of IT systems for hospitals and psychiatric institutions. The product portfolio includes the hospital information system (xCare and xmCare), electronic patient records, a product for supporting electronic records (eForms) and a solution for food logistics (Foodcare). Sales of approx. EUR 15 million were achieved with about 120 employees in the business year 2013/2014.

NEXUS expects significant synergies thanks to integration of quCare into the NEXUS Group and the associated penetration of the Dutch market. quCare will become a complete provider for e-health solutions thanks to enhancement of its product range and the integration of other NEXUS software modules. The company will be able to offer administrative, clinical and diagnostic solutions from one source.

The information to be provided pursuant to IFRS 3 B 64(h) – (m), (q) in connection with IFRS 3 B 66 could not be provided due to the short time since acquisition to the closing key date, the opening balance sheet not available yet as well as the determining values for customer base, technology, brand, pension obligations and remaining goodwill. Due to the acquisition, means of payment amounting to KEUR 14,084 were spent, which are composed of the purchase price KEUR 18,435, transaction costs KEUR 49 and acquired means of payment of KEUR 4,400. The company has a different business year from 1 April to 31 March. Initial consolidation is on 1 February 2015.

Adjustment of the conditional purchase price of E&L medical systems GmbH

At the purchase of E&L medical systems GmbH, Erlangen, a conditional purchase price in the amount of KEUR 2,915 was entered on the liabilities side. Due to the changed growth forecast of this company, it was necessary in the business year 2013 to adjust the conditional purchase price in the balance sheet by KEUR 711 to KEUR 2.204 affecting earnings. Due to the audit by the German Financial Reporting Enforcement Panel (DPR) independent of any reason, remaining purchase price obligation was increased to KEUR 2,055 an a liability of KEUR 1,030 shown pursuant to IAS 19 as of 31 Dec. 2014. KEUR 1,252 was entered into the balance sheet affecting earnings for both transactions in the business year (cf. Note 2.3).

Adjustment of the conditional purchase price of syseca informatik ag

At the purchase of syseca informatik ag, Lucerne, a conditional purchase price in the amount of KEUR 395 was entered on the liabilities side. Due to the changed growth forecast of this company, it was necessary in the business year 2014 to amortize the conditional purchase price in the balance sheet in the amount of KEUR 356.

4. Intangible Assets

Goodwill

Within the context of the annual Impairment Test according to IAS 36, the goodwill is allocated respectively on 31 December for checking the value of the cash-generating units. The following table shows the cash-generating units as well as the relevant assumptions and parameters:

Cash-generating unit	Company to be attributed	Organic growth in % in detailed planning period of 3 years[1]		Discount rate in % before taxes for cash flow forecast		Goodwill (in KEUR)		Brands (in KEUR)	
		2014	2013	2014	2013	2014	adjusted[3] 2013	2014	2013
NCS (Systeme für Alten- und Behindertenpflege)	Domis Consulting AG[3] Synergetics AG VEGA Software GmbH syseca informatik ag NEXUS / REHA GmbH	10	10	7.94	8.73	6,467	6,334	472	462
DIS (Diagnostische Ssysteme)	NEXUS / DIS GmbH NEXUS / INOVIT GmbH	10	10	7.94	8.73	4,707	4,707	0	0
CIS (Clinical Information Systems)	NEXUS / CIS GmbH NEXUS / OPTIM S.A.S. E&L medical systems GmbH[3] Marabu EDV-Beratung und Service GmbH	10	10	7.94	8.73	10,612	9,039	2,176	1,577
PAT.INT	NEXUS Schweiz GmbH Flexreport AG	0	0	7.94	8.73	3,084	3,023	0	0
QM	NEXUS / QM GmbH	3	3	7.94	8.73	836	836	0	0
HCS (Healthcare Services)	ASS.TEC Beratungsgesellschaft für Anwendungen, Systeme, Strategien und Technologien mbH NEXUS / IS GmbH NEXUS . IT GmbH SÜDOST NEXUS . IT GmbH NORD proLohn GmbH	0	0	7.94	8.73	720	537	0	0
CSO [2]	NEXUS / CSO GmbH CS3I S.A.S.	3	–	7.94	–	1,550	–	584	–
Summe						**27,976**	**24,476**	**3,232**	**2,039**

[1] A growth rate of zero was assumed for the extrapolation of the cash flows according to the detailed planning period.

[2] CS3I S.A.S acquired in business year 2014 is to be allocated to CGU CSO. 3) There was no goodwill in CGU on the balance sheet in the previous year, which is why an impairment test was not required.

[3] Refer to Number 2.3.

The achievable amount is determined respectively on the basis of calculating utilization value on the balance sheet cut-off date. Accordingly, there were no depreciation requirements.

The utilization value calculated in this way is based on forecasts, which include uncertainties in the estimations. Essential uncertainties are in the following positions:

a.) Profit margin

The profit margin was calculated based on an average value, which was formed partially on the basis of already concluded contracts under consideration of the margins from the previous years as well as an expansion of license business. The profit margins were also adjusted by the expected increase in efficiency.

b.) Discount rate

The discount rate reflects the estimation of the Executive Board with respect to specific risks of the respective cash-generating unit. Future investment projects are evaluated via this interest rate.

c.) Development of market shares and maintenance revenues

These assumptions are especially significant, because the estimation is reflected here about how the cash-generating units will development with respect to competitors during the planning period. At the same time, it must be observed that it is not a question of clearly defined markets, but instead mainly with project transactions, which do not permit clear comparisons.

d.) Growth rates in the detailed planning stage

The growth rates in the detailed planning stage are based on published, industry-related market research. They are also influenced decisively by the individual estimates of future potential made by the cash-generating units. These assumptions are supported by concrete sales, development and marketing plans.

e.) Sensitivity analysis

In a sensitivity consideration, the other decisive parameters of the impairment test were changed in line with reasonable assumptions concerning possible development. The increase of the discount rate by 25 basis points or a decrease of the relevant cash flow by 5% would not result in any necessity for decrease in value of goodwill.

Customer Base/Technology/Brands

Due to acquisition of proLohn GmbH, customer relations in the amount of KEUR 23 and technology/brands in the amount of KEUR 59 were capitalized.

Due to acquisition of Marabu EDV-Beratung und -Service GmbH customer relations in the amount of KEUR 752 and technology/brands in the amount of KEUR 1,280 were capitalized.

Due to acquisition of CS3I S.A.S., customer relations in the amount of KEUR 565 and technology/brands in the amount of KEUR 584 were capitalized.

Development Costs

Development costs are in the valuation insofar as they fulfill the criteria lists in the accounting and valuation principles. They are capitalized in the business year, in which they occur if they are not for basic research or order-related. Development costs were capitalized in the amount of KEUR 4,687 (previous year: KEUR 4,514) in 2014. The development costs will be written off according to schedule over a utilization period of five years. KEUR 3,787 (previous year: KEUR 3,845) was written off in the reporting year.

There were development costs for software not yet finished in the amount of KEUR 2,411 on the cut-off date (previous year: KEUR 1,558).

Concessions / Licenses

Especially third-party software is shown, which is used for our own purposes.

5. Fixed Assets

Fixed assets are mainly composed of plant and business facilities and are valuated as carried forward procurement costs. Cf. the Statement of Changes in Fixed Assets. The tangible assets are not subject to any restrictions with respective disposal possibilities. There are no facilities currently being constructed.

6. Shares in companies valuated at equity

NEXUS AG holds the following direct or indirect ownership interest in the following companies as of 31 December 2014, which are all consolidated at equity:

Affiliated companies
- G.I.T.S. Gesundheitswesen IT-Service GmbH Fürstenfeldbruck, Fürstenfeldbruck
- Medidata GmbH, Berlin
- Palladium-med GmbH, Berlin

	2014	2013
	KEUR	**KEUR**
Share of participations in the balance sheet		
Short-Term Assets	52	51
Long-Term Assets	8	8
Short-term debts	-18	-20
Prorated net assets	**42**	**39**
Shares in revenue and profit of participations		
Revenues	115	115
Profit	3	0
Accounting value of participation	**34**	**43**

Development of Assets 2014

	Acquisition and manufacturing costs						
Fixed assets	adjusted[1] **01/01/2014**	**Inflows from company mergers within the consolidated Group**	**Reclassification**	**Currency Fluctuations**	**Receipts**	**Issues**	**31/12/2014**
	KEUR	**KEUR**	**KEUR**	**KEUR**	**KEUR**	**KEUR**	**KEUR**
Intangible fixed assets							
Concessions / Patents	4,444	372	-3	21	132	127	4,839
Goodwill[1]	24,653	3,306	0	194	0	0	28,153
Development Costs	34,349	1,781	581	86	4,687	0	41,484
Customer Base/Technology	16,432	2,080	-578	76	0	0	18,010
Brand	2,039	1,183	0	10	0	0	3,232
	81,917	8,722	0	387	4,819	127	95,717
Fixed Assets							
Tenant installations	673	0	0	2	115	445	345
Other equipment, factory and office equipment	6,081	0	0	41	1,225	684	6,663
	6,754	0	0	43	1,340	1,129	7,008
Total	**88,671**	**8,722**	**0**	**429**	**6,159**	**1,257**	**102,725**

[1] Refer to Number 2.3.

7. Inventory

Inventories are composed of the following:

	31/12/2014	**31/12/2013**
	KEUR	**KEUR**
Raw materials, consumables and supplies	164	82
Unfinished services	100	0
Goods	325	201
	589	**283**

No decline in economic usefulness (previous year: KEUR 0) or increased valuation (previous year: KEUR 0) was entered in the reporting year. There are no inventories in the current business year, which were carried in the balance sheet at the net disposal price. Inventories in the amount of KEUR 10,142 (previous year: KEUR 8,762) are entered as expenditures in the business year.

8. Deferred Taxes

Credited and debited deferred taxes were offset in accordance with IAS 12. Credited and debited deferred taxes are classified according to their cause as follows:

Accumulated depreciations					Book value	
01/01/2014	Currency Fluctuations	Receipts	Issues	31/12/2014	31/12/2014	adjusted[1) 31/12/2013
KEUR	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR
3,672	14	488	119	4,055	784	772
177	0	0	0	177	27,976	24,476
20,990	60	3,787	0	24,837	16,647	13,359
8,788	57	1,832	0	10,677	7,333	7,644
0	0	0	0	0	3,232	2,039
33,627	130	6,107	119	39,746	55,972	48,290
520	1	45	476	90	255	153
4,370	30	861	584	4,677	1,986	1,711
4,890	31	906	1,060	4,767	2,241	1,864
38,517	**161**	**7,013**	**1,179**	**44,512**	**58,213**	**50,154**

As of 31 December 2014, no debited deferred taxes were entered on profits not paid from subsidiaries or affiliated companies, because the Group determined that the profits, which have not been distributed yet, will not be distributed in the foreseeable future. In addition, the amount of taxes resulting for the Group is insubstantial in the case of distribution to the parent company due to the German tax system.

Corporate income tax losses carried forward exist in the amount of KEUR 27,918 (previous year: KEUR 31,740) domestically as well as trade tax losses carried forward in the amount of KEUR 26,756 (previous year: KEUR 30,319). Tax losses carried forward were incurred in foreign Group companies in the amount of KEUR 269 (previous year: KEUR 0). There are losses carried forward of KEUR 7,709 (previous year: KEUR 20,771) in the total volume, which are assessed as non-utilizable (corporate income tax KEUR 4,029 (previous year: KEUR 10,841), trade tax KEUR 3,411 (previous year: KEUR 9,930), and foreign taxes on profit KEUR 269 (previous year: KEUR 0). A total of KEUR 7,440 (previous year: EUR 20,771) of that can be carried forward for an unlimited time.

	Group balance sheet		Consolidated income statement	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
	KEUR	KEUR	KEUR	KEUR
Deferred tax asset				
Tax losses carried forward	6,998	6,109	889	576
Valuation differences of pensions	799	476	-65	24
Valuation differences of securities	0	0	0	-132
	7,797	**6,585**	**824**	**468**
Offsetting with deferred tax liabilities	-2,969	-2,888	-824	-468
Total deferred tax asset	**4,828**	**3,697**	**0**	**0**
Deferred tax liability				
Development Costs	3,086	2,712	-374	-199
Valuation differences of receivables	55	74	19	-15
Technology / Know-How	3,301	2,586	296	450
Project orders	0	42	42	155
Accruals	44	38	-6	25
Other currency effects	0	0	0	0
	6,486	**5,452**	**-23**	**416**
Of those, offset against deferred tax receivables	-2,969	-2,888	824	468
Total deferred tax liability	**3,517**	**2,564**	**801**	**884**

	2014	2013
	KEUR	KEUR
Change of deferred taxes affecting net income	801	884
Adjustment of deferred taxes entered in other comprehensive income within the context of provisions for pensions	393	-18
Adjustment of deferred taxes entered due to currency conversion	2	15
Determined deferred taxes entered in other comprehensive income within the context of company mergers	-1,019	-82
Change of deferred taxes in balance sheet item	**177**	**799**

9. Trade receivables and other receivables

Trade account receivables and other receivables are composed of the following:

	31/12/2014	
	Short-term (< 1 year)	Long term (> 1 year)
	KEUR	KEUR
Trade receivables	19,165	0
Receivables from companies valuated at equity	18	0
Other receivables	92	0
Total	**19,275**	**0**

	31/12/2013	
	Short-term (< 1 year)	Long term (> 1 year)
	KEUR	KEUR
Trade receivables	19,133	0
Receivables from companies valuated at equity	30	0
Project orders with gross amount due from customers	147	0
Other receivables	10	0
Total	**19,320**	**0**

Refer to the table below for individual value corrections on trade accounts receivable and their development. The project orders with gross amount due from customers (total of the expenses and enter profits for production orders not complete yet, minus the entered losses) amount to KEUR 0 (previous year: KEUR 147).

Trade receivables (gross value)	31/12/2014	31/12/2013
	KEUR	KEUR
Neither depreciated in value nor overdue	9,589	11,263
Not depreciated in value and overdue in the next periods		
< 30 days	3,733	2,600
30 – 120 days	1,905	1,929
120 – 180 days	427	620
180 – 360 days	1,464	979
> 360 days	1,971	1,328
Individual value adjustment at residual book value	76	414
Book value	**19,165**	**19,133**

On the claims past due without value reduction, no value adjustment was made, because no essential change of the credit rating of the debtor could be determined and consequently payment of the outstanding amounts is assumed. The Group does not have any collateral for these outstanding items. Trade account receivables and other receivables are all due within one year.

Receivables from deliveries and services in the amount of KEUR 138 (previous year: KEUR 230) were charged off in the business year 2014. There were no received payments (previous year: none) for charged-off receivables. The fair value of trade account receivables and other receivables does not different from the book value. There were receivables diminished in value from deliveries and services in the amount of KEUR 1,478 on 31 December 2014 (previous year: KEUR 1,973). The development of the value adjustment account is as follows:

Development of individual value adjustment for trade receivables	2014	2013
	KEUR	KEUR
As of 1 January	1,559	1,581
Inflows affecting expenses	512	408
Consumption	-465	-325
Settlement	-204	-105
As of 31 December	**1,402**	**1,559**

10. Other Financial Assets and Short-Term Financial Assets

The other financial assets and short-term financial assets are omposed of the following:

	31/12/2014	
	Short-term (< 1 year)	Short-term (< 1 year)
	KEUR	KEUR
Other financial assets		
From interest	4	0
From loans to employees and third parties	74	20
From miscellaneous	568	380
Total of other financial assets	**568**	**400**
Short-term financial assets		
Securities	2,218	0
Loan against borrower's note	7,000	0
Total of Short-Term Financial Assets	**9,218**	**0**

	31/12/2013	
	Short-term (< 1 year)	Short-term (< 1 year)
	KEUR	KEUR
Other financial assets		
From interest	4	0
From loans to employees and third parties	585	23
From miscellaneous	908	61
Total of other financial assets	**1,497**	**84**
Short-term financial assets		
Securities	2,142	0
Loan against borrower's note	6,000	0
Total of Short-Term Financial Assets	**8,142**	**0**

Other financial assets

The current market value of other financial assets does not different from the book value. Valuation adjustments in the amount of KEUR 0 (previous year: KEUR 40) were entered in the reporting year. In the previous years, a valuation reserve for financial instruments was established in equity capital, which shows the profits and losses from the sale of available, classified financial assets of classified securities, and minus the deferred taxes applicable to them.

Short-term financial assets

The short-term financial assets are as follows on the balance sheet cut-off date:

	31/12/2014	
	Procurement costs	Fair value
	KEUR	KEUR
Securities		
Pension funds	2,733	2,218
Loan against borrower's note	**7,000**	**7,000**
Total	**9,733**	**9,218**

	31/12/2013	
	Procurement costs	Fair value
	KEUR	KEUR
Securities		
Pension funds	2,733	2,142
Loan against borrower's note	**6,000**	**6,000**
Total	**8,733**	**8,142**

In the reporting period, decline in economic usefulness in the amount of KEUR 0 (previous year: KEUR 3) as well revenues of KEUR 76 (previous year: 0) were entered.

As of 31 December 2014, there were no derivative financial instruments, analog to the previous year.

11. Other non-financial assets

The other non-financial assets are composed of the following:

	31/12/2014	31/12/2013
	KEUR	KEUR
Turnover Tax	227	146
Down payments made	25	74
Wage and salary advances	26	17
Accounts receivable, most for social security	331	719
Prepaid expense and accrued income	420	480
Total of non-financial assets	**1,029**	**1,436**

The current market value of other non-financial assets does not differ from the book value. Unfulfilled conditions and other success uncertainties do not exist in combination with the public subsidies entered in connection with the financial report.

12. Equity Capital

Equity amounted to KEUR 75,812 on the cut-off date (previous year: KEUR 71,495; adjusted). Refer to the statement of changes in the shareholders' equity as well as to Note 3. Company Mergers.

a) Subscribed Capital

Subscribed capital on 31 December 2014 is divided into 15,105,150 bearer, no-par stocks with a book value share of equity capital of EUR 1.00 each and paid in the full amount. Different stock classes do not exist. All stocks are common stocks and grant the same rights provided for by the stock law.

b) Own Shares

In the general stockholders meeting of 19 June 2006, the company was empowered until 30 November 2007 to purchase its own stocks up to an amount of a total of 10 % of the equity capital, i.e., up to 1,380,520 individual share certificates with a book value of EUR 1.00 each. The company exercised this right in 2007 and purchased 8,420 share certificates with procurement costs of a total of KEUR 26, of which 2,100 share certificates were sold in 2011 and another 2,500 share certificates. Due to a stock buyback program newly started in December 2011, 3,872 share certificates with procurement costs of a total of KEUR 26 were purchased in 2011 and 33,916 additional share certificates with procurement costs of a total of KEUR 252 were purchased by 31 December 2012 as well as 5,000 share certificates at KEUR 28 in the business year 2013. A total of 10.748 share certificates without a par value with procurement costs of KEUR 70 were sold. The own shares were deducted with the total procurement costs in one sum from equity (cost method). The company may not use this empowerment to purchase its own stocks for the purpose of trading with its own stocks. The company can use this empowerment completely or in partial amounts once or several times, but this can also be done for the account by third parties.

Authorized Capital

In the annual general meeting of 23 May 2012, the empowerment granted in the annual general meeting of 14 June 2010 to increase the capital stock in the amount of EUR 6,902,600.00 was revised. The Executive Board was empowered to increase the capital stock of the company in the period until 3o April 2017 one time or several times up to a total of EUR 7,152,575.00 via issue of new no-par bearer stocks (individual share certificates) against cash and/or capital subscribed in kind. The Executive Board shall decide about the conditions of the stock issue subject to approval by the Supervisory Board. The Executive Board is also empowered – subject to approval by the Supervisory Board – to decide about the exclusion of stock rights of stockholders in the following cases:

a) For residual amounts

b) For issue to employees of the company or an affiliated company

c) For a capital increase against capital subscribed in kind for purchase of companies, company parts or shares in companies

d) At capital increase against cash investment if the issue amount of the new shares does not fall substantially short of the already the listed price of shares already listed on the securities markets of the same class and same investment at the time of final determination of the issue amount by the Executive Board in the sense of Subsection 203 para. 1 and 2, 186 para. 3 sentence 4 of the German Stock Corporation Law (AktG) and the proportional amount of the capital stock for the new shares does not exceed 10 % of the capital stock existing at the time of empowerment, for which the subscription right was excluded. At the maximum limit of 10 % of the capital stock, shares of the capital stock are included in the calculation, which were sold during the term of approved capital with exclusion of the subscription right of stockholders pursuant to Subsection 71 para. 1 No. 8 sentence 5, 186 para. 3 sentence 4 of the German Stock Corporation Law, for which conversion rights or option rights or a conversion obligation or an option exercise obligation exists due to options and/or convertible debentures, which were issued since granting of this empowerment with exclusion of the subscription right pursuant to Section 221 para. 4, 186 para. 3 sentence of the German Stock Corporation Law.

Authorized capital in the amount of EUR 6,352,575.00 (previous year: 6,352,575.00) existed on the balance sheet cut-off date.

Authorized but Unissued Capital and Stock Option Plans (AOP)

The conditional capital III and the conditional capital IV were canceled in the annual general meeting on 23 May 2012. The stock options in connection with the conditional capital have expired. Conditional capital in the amount of EUR 1,400,000.00 was created (conditional capital 2012) with the annual general meeting resolution of 23 May 2012. The capital stock was raised conditionally corresponding to execution of a stock option program by EUR 1,400,000.00 bearer shares (AOP 2012).

Executive Board Bonus for Future Stock Price Development

With the renewal of service contracts for the Executive Board members, bonus payments were agreed upon starting from the business year 2012, which are linked to the future development of the NEXUS share price. According to it, a bonus payment is due to the Executive Board members if the closing rate on 31 December 2014 surpassed the calculated starting price on 31 December 2011. The difference and consequently the bonus payment are calculated in euro cent steps. For these virtual options, costs in the amount of KEUR 544 were incurred in the business years 2012-2014. Expenditures for value increase rights of KEUR 389 were recorded in the business year 2014. The number of virtual options is 100,000 shares.

In addition, transitional agreements were made with Executive Board members in May 2014, which foresee granting of a total of 11,650 shares, which will become due in 2015, and are based on the development of stock prices from the 4th quarter 2013 to the 4th quarter 2014. The shares had a value of KEUR 140 at the time of granting.

Stock-based compensation was agreed upon with the Executive Board members in May 2014. It is composed of maximum 160,000 real shares, which are due annually each year and are based on the development of stock prices between 2015 and 2017. The shares had a value of KEUR 788 at the time of granting.

c) Capital Reserves

Capital reserves essentially contain surcharges from the capital increase conducted in 2000 in connection with the IPO of NEXUS AG as well as the increase of the capital reserves in the amount from the issue of new shares against a noncash capital contribution as well as the exercise of stock options by Executive Board members of management in subsidiaries and employees of the Nexus Group. The directly attributable expenses incurred within the context of the cash increase, the capital increase through capital subscribed in kind, were offset with the capital reserves. In addition, the adjusted current value of the stocks issued within the context of the stock option plans is considered in the capital reserves position. According to Section 150 of the German Stock Corporation Law, the legal reserves and the capital reserves must exceed one-tenth of the equity capital, so that they can be used to compensate for losses or for a capital increase from company funds. As long as the legal reserves and the capital reserves together do not exceed one-tenth of the equity capital, they may only be used to compensate for losses as long as the loss is not covered by profit carried forward or annual net profit and cannot be compensated for by amortizing other revenue reserves.

Capital reserves increased by EUR 140,504.50 thanks to the sales of 10,748 of own shares and the shares granted to the Executive Board members in 2014. Equity amounted to KEUR 25,980 on the cut-off date (previous year: KEUR 25,780).

d) Equity Capital Difference from Currency Conversion

The equity capital difference from currency conversion results from differences, which resulted from the conversion of the annual financial statements of the foreign subsidiaries.

f) Validation Reserve for Financial Instruments

The validation reserve for financial instruments contains the cumulated profits and losses from the valuation of the adjusted current value for selling certain financial assets after offsetting deferred taxes.

g) Pension Accruals

The pension accruals contain the actuarial, cumulated profits and losses from the valuation from valuation of pension accruals after offsetting deferred taxes.

Capital Management

The goal of capital management is to maintain the financial substance of the Group as well as long-term assurance of required financial flexibility. The equity capital rate was also used in measuring the financial security of the Group. In doing this, the equity capital shown in the Group balance sheet was compared to the balance amount. Accordingly, the financing structure is characterized by a capital structures, which is conservative and in which self-financing dominates. The equity capital rate is 70.1 % (previous year: 71.0 %) on the balance sheet cutoff date. Third-party financing is almost exclusively via liabilities, which result from business operations, as well as via pensions to a slight extent. There are almost no interest-bearing financial liabilities.

A dividend in the amount of EUR 0.12 was paid on the 15,068,542 shares with a right to a dividend on bearer, no-par shares.

13. Pension obligations

Pensions accruals have been accrued for NEXUS / IT GmbH SÜDOST, nexus / is GmbH (previously: nexus / ccc GmbH), NEXUS. IT GmbH NORD and for the assumed pension obligations at ASS.TEC Beratungsgesellschaft für Anwendungen, Systeme, Strategien und Technologien mbH for the direct pension obligations (employer's pension commitments) taken over by the Forest Gesellschaft für Products & Services mbH as of 30 September 2000. The performance-oriented plans in Switzerland concern the pension scheme according to Swiss federal law for employee old-age, survivors' and disability benefits (BVG). These plans represent complete insurance policies, in which an insurance company is responsible for the at least temporary, complete actuarial risks, including capital market risks.

The amount of payments for assumed pensions is based on employment years and the respective salary of the person entitled to payments. The accrual is established for payable performances in the form of old-age and disability pensions as well as for survivors' pensions. It is a question of non-forfeitable expectancy of future benefits. Plan assets only exist for obligations in Switzerland as well as for one company in Germany.

The performance-oriented plans burden the Group with actuarial risks, for example, the long life risk, currency risk, interest rate risk and market (system) risk.

Financing

While domestic pension obligations are financed by the company with the exception of ASS.TEC, the obligations in Switzerland and for ASS.TEC Beratungsgesellschaft für Anwendungen, Systeme, Strategien und Technologien mbH are managed and financed via insurance companies. The financing requirements are based on actuarial evaluation concepts.

Valuation basis

Calculation of the pension obligations considers market interest rates as well as wage, salary and pension trends. In Germany, the reference tables 2005 G (Verlag Heubeck-Richttafeln-GmbH, Cologne), which include death and disability probability, probability of being married at time of death, are used as biometric calculation basis. In Switzerland, the statistics of the years 2005 – 2009 based on the tariff BVG 2010 were used as a basis.

	2015 1)	2014	2013
	%	%	%
Calculated interest rate (D)	2.0	2.0	3.0
Calculated interest rate (CH)	0.8	0.8	2.0
Average fluctuation rate (D)	5.0	5.0	5.0
Average fluctuation rate (CH)	15.0	15.0	15.0
Wage and salary trend (D)	0.0	0.0	0.0
Wage and salary trend (CH)	0.3	0.3	1.0
Annual increase of current pensions (D)	1.8	1.8	2.0
Annual increase of current pensions (CH)	0.0	0.0	0.0

1) Basis for the sensitivity analysis

On 31 December 2014, the weighted average term of performance-oriented obligations was domestically 16 years in Germany (previous year: 15 years) and 13 years (previous year: 6 years) in Switzerland.

Change of the net debt from performance-oriented obligations

The changes of the cash value of performance-oriented obligations and the plan assets are as follows:

	2014	2013
	KEUR	KEUR
Cash value of obligations at beginning of reporting period	21,390	16,979
Enter in profit or loss		
Current staff expenses	1,095	735
Service costs to be calculated retroactively	-867	117
Interest expenses	447	358
Entered in other comprehensive income		
Actuarial profits (–) / losses (+) from		
· demographic assumptions	0	754
- financial assumptions	1,803	-593
- adjustment based on experience	1,249	-271
Currency fluctuations	416	-257
Other		
Additional pension obligations	0	3,883
Paid benefits and persons leaving	-4,774	-936
Employee contributions	644	621
	21,403	**21,390**

	2014	2013
	KEUR	KEUR
Cash value of plan assets at beginning of reporting period	18,019	14,382
Enter in profit or loss		
Interest revenue	374	299
Entered in other comprehensive income		
Plan assets receipt in Switzerland	0	3,417
Revenue from plan assets without interest received	117	-148
Currency fluctuations	365	-230
Others		
Employer contribution	646	591
Employee contributions	644	621
Capital payments and persons leaving	-4,750	-913
Cash value of plan assets at the end of reporting period	**15,415**	**18,019**

	2014	2013
	KEUR	KEUR
Cash value of externally financed obligations	20,421	20,511
Fair value of plan assets	15,415	18,019
Shortage	5,006	2,492
Cash value of internally financed obligations	981	879
Financing status	5,987	3,371
Pension obligations on the balance sheet	5,987	3,371
Of which shown as pension accruals	5,987	3,371

The obligation is divided into the participant groups as follows:

	2014	2013
	KEUR	KEUR
Active employees	4,795	2,447
Left company due to accident	422	348
Retirees	771	576
	5,988	**3,371**

During 2014, pension contracts were adjusted for numerous employees in Switzerland to consider the new legal requirements there with respect to the retirement age. As a result of supplementing the plan, the performance-oriented obligation of the Group decreased by 867 KEUR (31 December 2013: increase by 117 KEUR). Corresponding revenue of the service costs to be calculated retroactively were entered in profit or loss during 2014.

Actuarial profits and losses in 2014 in the amount of KEUR 2,962 were entered under other revenue in equity capital after consideration of deferred taxes. The cumulated actuarial losses were entered in other comprehensive income with KEUR 5,087 minus deferred taxes. The total expenditures for performance-oriented employer's pension commitments, which are contained in personnel expenses, are composed of the following:

	2014	2013
	KEUR	KEUR
Current and retroactively to be attribute service time expenses	1,095	852
Interest payments	447	358
Interest received from plan assets	-374	-299
Net pension expenses	**1,168**	**911**

The actual results of the plan assets amount to KEUR -491 percent (previous year: KEUR -151). The plan assets are to the account of Swiss plans as well as ASS.TEC Beratungsgesellschaft für Anwendungen, Systeme, Strategien und Technologien mbH and are composed of claims against pension schemes.

The plan assets in Switzerland and Germany are as follows:

	2014	2013
	KEUR	KEUR
Bonds	10,267	10,336
Real estate	1,599	2,462
Stocks	317	1,730
Cash and fixed-term deposits	515	796
Other	2,717	2,695
Total	**15,415**	**18,019**

The composition of plan assets is almost unchanged in the distribution of asset categories compared to the business year 2013.

Adjustments of pension obligations based on experience amount to KEUR 1,249 percent (previous year: KEUR 422), and those of the plan assets to KEUR 117 (previous years: KEUR -148).

	2014	2013	2012	2011	2010
	KEUR	KEUR	KEUR	KEUR	KEUR
Cash value of pension obligations	21,403	21,390	16,979	15,138	10,789
Fair value of plan assets	-15,415	-18,019	-14,382	-13,253	-9,570
Plan shortfall	**5,988**	**3,371**	**2,597**	**1,885**	**1,219**
Adjustment of pensi-on obligations based on experience	1,249	422	41	-698	343
Adjustment of plan assets based on experience	117	-148	-10	-1,015	0

In Germany, the social pension fund is considered a contribution-oriented pension plan. The expenditures entered for the social pension fund for the employees subject to social insurance contributions amounted to KEUR 1,979 in the past business year (previous year: KEUR 2,011). In addition, expenditures for other contribution-oriented plans for executive board members exist for direct insurance during the business year in the amount of KEUR 25 (previous year: KEUR 25).

Sensitivity analysis

If other assumptions had remained constant, the changes possible on the closing key date could have influenced the following amounts with reasonable consideration of a decisive actuarial assumption of the performance-oriented obligation.

We assume that the factors fluctuation and mortality are not subject to any decisive volatility due to the duration of the essential obligations. Consequently, we have not conducted a sensitivity analysis at this spot.

	2014	2013
Change of the obligation	**KEUR**	**KEUR**
Current assumption as of 31 Dec. 2014		
Total obligation	21,403	21,390
Externally financed obligation	20,421	20,511
Internally financed obligation	982	879
Discounted interest rate +0,5 %	-950	-992
Discounted interest rate -0,5 %	1,060	1,101
Wage increase rate +0,5 %[1)]	211	96
Wage increase rate -0,25 %[1)]	-175	-93
Retirement trend +0,5 %[2)]	71	60
Retirement trend -0,5 %[2)]	-70	-55

1) Due to the assumption of annual salary increases domestically of 0%, the sensitivity analysis only concerns the salary increase rate for the external financial obligations in Switzerland.
2) Due to the assumption of annual increases of pensions in Switzerland of 0%, the sensitivity analysis only concerns the pension trend for domestic obligations.

Although the analysis does not consider the complete split of the expected cash flows according to the plan, it provides an approximate value for the sensitivity of the depicted assumptions.

For the business year 2015, pension expenditures of KEUR 731, cash value of the obligation of KEUR 22,106 as future value of the plan assets of KEUR 14,539 are forecast.

Pension payments in the amount of KEUR 538 from the employer.

The expected contributions to the plan assets for 2015 amount to KEUR 538.

14. Accruals

The accruals are composed of the following:

	As of 1/1/2014	Consumption 2014	Redemption 2014	Additions 2014	As of 12/31/2014
	KEUR	KEUR	KEUR	KEUR	KEUR
Benefits still to be paid	542	390	73	1,012	1,091
Other accruals	374	0	175	1	200
	916	**390**	**248**	**1,013**	**1,291**

The performances still to be provided concerning risks in project business from threatened follow-up costs as well as price discounts, which are calculated based on values from experience as well as the costs still to be expected. Use of them is expected in 2015. The other accruals will presumably be used in the coming year.

15. Liabilities

The liabilities with respect to due dates are as follows:

	12/31/2014	
	Short-term (< 1 year)	Long term (> 1 year)
	KEUR	KEUR
Financial liabilities	253	15
Trade accounts payable	4,890	0
Taxes on earnings obligation	996	0
Deferred revenue	985	0
Other non-financial debts	4,991	0
· Payments received	2,178	0
· Other taxes	2,813	0
Other financial debts	7,164	2,288
· From obligations for salary payables	1,347	0
· Other	5,817	2,288
	19,279	**2,303**

	12/31/2013 adjusted[1]	
	Short-term (< 1 year)	Long term (> 1 year)
	KEUR	KEUR
Financial liabilities	152	43
Trade accounts payable	4,011	0
Taxes on earnings obligation	754	0
Deferred revenue	4,344	0
Other non-financial debts	6,462	0
· Payments received	5,641	0
· Other taxes	821	0
Other financial debts	4,226	2,383
· From obligations for salary payables	1,002	0
· Other	3,224	2,383
	19,949	**2,426**

[1] Refer to Number 2.3.

The financial liabilities include liabilities to banks.

The income tax liabilities concern actual tax debts for the current period and earlier period. They are to be assessed with the amount, which is to be paid to tax authorities. In calculating the amount, the tax rates and tax regulations are used as a basis, which are valid or announced for the balance sheet date in the respective country.

Revenue deferrals are required if the performance time for realized sales revenues deviates from the business year for the area of software maintenance. The assignment of cost or expense not relating to accounting period will be transferred to the following business year affect the result.

The other non-financial debts contain received payments for customer contracts and other taxes (turnover tax, wage and church tax payment obligations as well as social security payments).

In the position Other, the probable purchase price obligations from conditional purchase prices for purchasing remaining company shares and separate transacations are entered in the amount of KEUR 5,020 (previous year: KEUR 3,933).

16. Possible Liabilities and Other Obligations

1) Legal proceedings as well as claims from legal disputes, which occur during the normal course of business, could be asserted in the future against the Group companies. The associated risks are analyzed with respect to the probability of their occurrence. Although the result of these disputes cannot always be assessed precisely, the Executive Board believes that no substantial obligations can arise from this.

2) There are also financial obligations from the rental of offices, leasing of vehicles and other obligations. In line with the economic content of the leasing agreements, the leasing relations are to be classified as operating leasing relations. The resulting, possible liabilities are as follows:

12/31/2014	2015	2016 to 2019	Starting from 2020
	KEUR	KEUR	KEUR
Rental	1,542	5,050	829
Leasing	1,077	1,448	0
	2,619	**5,498**	**829**

12/31/2013	2014	2015 to 2018	Starting from 2019
	KEUR	KEUR	KEUR
Rental	1,471	3,205	341
Leasing	797	833	0
	2,268	**4,038**	**341**

The rent and leasing payments of the business year amount to:

	2014	2013
	KEUR	KEUR
Rental	1,687	1,464
Leasing	1,178	945
	2,865	**2,409**

Rental and leasing agreements contain neither extension nor purchase options according to price adjustment clauses. Only minimum leasing payments are contained in 2014.

17. Revenue

The consolidated revenues are categorized in the following overview according to regions and business areas:

	Healthcare Software			
	2014		2013	
	KEUR	%	KEUR	%
Germany	40,225	57.1	34,123	52.5
Switzerland/ Liechtenstein	24,500	34.8	24,737	38.1
France	3,079	4.4	3,031	4.7
Austria	1,739	2.5	1,895	2.9
Other regions	899	1.2	1,154	1.8
Total	**70,442**	**100.0**	**64,940**	**100.0**

	Healthcare Service			
	2014		2013	
	KEUR	%	KEUR	%
Germany	9,156	94.3	7.762	93.3
Switzerland/ Liechtenstein	126	1.3	72	0.9
Austria	4	0.0	107	1.3
Other regions	419	4.4	382	4.5
Total	**9,705**	**100.0**	**8.323**	**100.0**

They are attributed to:

	2014		2013	
	KEUR	%	KEUR	%
Services	58,612	73.1	52,834	72.1
Licenses	14,985	18.7	13,862	18.9
Deliveries	6,550	8.2	6,567	9.0
Total	**80,147**	**100.0**	**73,263**	**100.0**

The sales revenue from concluded long-term orders entered according to the PoC method in the reporting year amount to KEUR 43,687 (previous year: KEUR 39,618).

18. Other operating income

The other operating income refer above all to revenues from purchase price adjustments KEUR 357 (previous year: KEUR 1,151), cash-value benefits in the amount of KEUR 344 (previous year: KEUR 227), revenues from charging off short-term reserves in the amount of KEUR 248 (previous year: KEUR 13), redemption of value adjustments from receivables in the amount of KEUR 204 (previous year: KEUR 105), revenue from closing out reserves in the amount of KEUR 204 (previous year: KEUR 125), foreign currency profits in the amount of KEUR 47 (previous year: KEUR 74), and revenues from insurance refunds in the amount of KEUR 21 (previous year: KEUR 33).

19. Material Expenses and Cost for Purchased Services

	2014	2013
	KEUR	KEUR
Costs of raw materials, consumables and supplies and for purchased goods	10,142	8,762
Cost for purchased services	5,377	5,053
	15,519	**13,815**

Costs for raw materials, consumables and supplies as well as for purchased goods are mainly expenses from hardware purchases, which were intended for further sales. The area of purchased services mainly concerns services in the wake of project business, which was subcontracted to third parties.

20. Number of Employees and Personnel Expenses

The following number of employees and trainees were employed on the average in the individual business years:

	2014	2013
Salaried employees	674	620
Senior staff	16	13
	690	**633**

Personnel costs developed during the business year as follows:

	2014	adjusted[1)] 2013
	KEUR	KEUR
Wages and salaries[1)]	37,454	34,632
Social insurance contributions and contributions for old-age pensions and support	6,144	6,323
	43,598	**40,955**

[1)] Refer to Number 2.3.

In personal costs, KEUR 529 (previous year: KEUR 115) refer to expenditures for stock-based payments, which were entered split during the salary period according to IFRS 2.

21. Other operating expenses

The other operational expenditures are as follows:

	2014	2013
	KEUR	KEUR
Operating costs	3,953	3,547
Sales costs	2,758	2,943
Administration costs	3,493	2,971
Other operating expenses	2,298	2,308
Other taxes	40	33
	12,542	**11,802**

The other operational expenses mainly concern purchase price adjustments KEUR 685 (previous year: KEUR 1,334), contributions of valuation adjustment in the amount of KEUR 512 (previous year: KEUR 408), contributions to reserves in the amount of KEUR 193 (previous year: KEUR 1), write-offs and losses from receivables in the amount of KEUR 138 (previous year: 230), losses from asset disposals in the amount of KEUR 81 (previous year: KEUR 51) as well as currency rate losses in the amount of KEUR 49 (previous year: KEUR 114). The other operational expenditures in the table above include payment to the auditing company for the Group Financial Statement as follows:

	2014	2013
	KEUR	KEUR
Audit (individual accounts and Group audit)	143	134
Tax consultant services	43	41
	168	**175**

In the business year 2014, KEUR 0 (previous year: KEUR 25) were due retroactively for the Group Financial Statement of the previous business year.

22. Revenue from Companies Valuated at Equity

The proportional year-end results of companies valuated at equity, which are due to the Nexus Group, are shown in the amount of KEUR 3 (previous year: KEUR 0) as well as expenses from a write-off at equity in the amount of KEUR 13 (previous year: KEUR 0).

23. Finance Income

From finance income, KEUR 148 (previous year: KEUR 120) are revenue from securities, KEUR 76 (previous year: KEUR 0) contributions to current-asset securities, KEUR 62 (previous year: KEUR 69) interest revenue from bank deposits, and KEUR 1 (previous year: KEUR 32) on other interest receivable and similar income.

24. Finance Expenses

From finance expenditures, KEUR 59 (previous year: TEUR 43) are interest payments on bank liabilities, KEUR 20 (previous year: KEUR 17) are for other interest payments and similar expenses, and KEUR 0 (previous year: KEUR 3) are write-offs and losses on disposal of securities.

25. Taxes on profit

Taxes on profit are composed of the actual tax expenses or actual tax amount and the deferred tax expenses or deferred tax amount. The actual tax liabilities or obligations are measured using the applicable tax laws on the cut-off date with the amounts, which probably must be paid to the tax authorities or which they will demand. Deferred tax debts and liabilities are valued on the basis of the tax laws, which applied on the cut-off date, at the tax rate, which probably applies in the period during which the debt or liability is due. In 2014, all losses carried forward were checked for their value based on a five-year plan. Credited deferred taxes were only established in the amount to which realization via future profit is possible. Debited, deferred taxes, which arise especially due to the capitalization of development costs, are accrued as deferred tax expenses or – when possible – offset with credited deferred taxes. The taxes on the result before income taxes are divided into the actual and deferred income taxes as follows:

	2014	2013
	KEUR	KEUR
Current tax expenses	-935	-742
· current year	-906	-730
· previous years	-28	-12
Deferred tax revenue	801	884
· Creation/reversal of deferred differences	801	884
	-134	**142**

The corporate income tax including the solidarity tax and the trade tax as well as comparable taxes dependent on income in foreign countries are shown as income taxes. In addition, tax accruals and deferrals are entered in these positions for all substantial differing amounts between commercial and tax balance sheets as well as possible consolidation measures. Substantial indications for realization of deferred tax claims on losses carried forward not used for taxes, which are higher than the operating results from the conversion of existing, taxable temporary differences, result from:

- The continual result improvement of core business
- The increasing maintenance volume
- The planning of the individual companies belonging to the NEXUS Group

In determining the tax rates, a domestic tax rate of 15.0 % plus solidarity surcharge, i.e., 15.825 % in total, was set for the Group tax burden, and rates between 11.55 % and 16.64 % were set for the trade tax on earnings depending on the municipality. Taxes on profit in foreign countries are between 12.2 % and 33.3 %. The shown tax expenses deviated from the expected tax expenses, which would have resulted from application of the nominal tax rate on NEXUS AG of 28.4 % (previous year: 28.4 %) on the result according to IFRS. The relation of the expected tax expenses to the tax expenses, which results from the Group Profit and Loss Account, shows the following transitional calculation:

	2014	adjusted[1)] 2013
	KEUR	**KEUR**
Result before tax on profit[1)]	8,243	6,698
Expected tax expenses 28.4 % (previous year: 28.4 %)[1)]	-2,341	-1,902
Change of non-capitalized deferred taxes on losses carried forward	2,412	1,893
Tax rate differences at subsidiaries	101	278
Deviations from expenditures not deductible from taxes	-99	-83
Previous year taxes and other deviations	-207	44
Tax charges (previous year) according to the consolidated income statement	**-134**	**142**

[1)] Refer to Number 2.3.

26. Earnings per Share

The undiluted earnings per share results from the division of the consolidated surplus due to the stockholders by the average weighted number of stocks in circulation during the period. For calculating the diluted result per share, the consolidated surplus due to the stockholders and the average weighted number of stocks in circulation during the period would have to be adjusted by the effects of all potentially diluted stocks, which result from the exercise of granted options.

There were no subscription rights from stock option programs in 2014, so that no dilution effect results. An average number of stocks of 15,072 thousand (previous year: 15,065 thousand) was used as the based for calculating the watered result per share.

Cf. Number 38.2.

	2014	adjusted[1)] 2013
Consolidate surplus (Group share) in KEUR	8,279	7,221
Average of issued shares in circulation (in thousands)	15,072	15,065
Result per share in euros[1)] (undiluted and diluted)	0.55	0.48

[1)] Refer to Number 2.3.

The weighted average of common shares for the business year 2014 is calculated as follows:

	Common shares	Own shares	Total of common shares
January	15,068,542		15,063,542
February	15,068,542		15,068,542
March	15,068,542		15,068,542
April	15,068,542		15,068,542
May	15,068,542	1,000	15,069,542
June	15,069,542		15,069,542
July	15,069,542	3,488	15,073,030
August	15,073,030		15,073,030
September	15,073,030		15,073,030
October	15,073,030		15,073,030
November	15,073,030	3,000	15,076,030
December	15,076,030	3,260	15,079,290
	Total	**10,784**	**180,860,692**
	Average		**15,071,724**

The weighted average of common shares for the business year 2013 is calculated as follows:

	Common shares	Own shares	Total of common shares
January	15,063,542		15,063,542
February	15,063,542		15,063,542
March	15,063,542		15,063,542
April	15,063,542		15,063,542
May	15,063,542		15,063,542
June	15,063,542		15,063,542
July	15,063,542		15,063,542
August	15,063,542		15,063,542
September	15,063,542	3,000	15,066,542
October	15,066,542		15,066,542
November	15,066,542		15,066,542
December	15,066,542	2,000	15,068,542
	Total	**5,000**	**180,776,504**
	Average		**15,064,709**

27. Funds statement

The funds statement shows how the means of payment of the NEXUS AG changed due to incoming and outgoing flows in the reporting year. Payments are structured according to current transactions, investments and financing activity in the funds statement. The cash flow from current business transactions is shown according to the indirect method.

28. Cash Flow from Current Business Transactions

The cash flow from current business activities increased from KEUR 10,544 to KEUR 11,594 the 2014. Actuarial losses entered in the other results as well as the increase of provisions for accruals and the reduction of liabilities produced essential effects here.

29. Cash Flow from Investment Activities

The cash flow from investment activities is considerably higher at KEUR -11,750 (previous year: -3,687) than in the previous year. Three company purchases and the investments in intangible assets as well as investment in short-term financial assets were also the focus of investment activities in the business year.

30. Cash Flow from Financing Activities

The cash flow from financing activities in the amount of KEUR -1.626 (previous year: KEUR -3.920) was decisively influenced by dividend payments of KEUR 1,808 (previous year: KEUR 1,657) to our shareholders.

31. Amount of Financial Resources

The amount of financial resources is composed of liquid funds (cash balance and credit balance at banks) minus account adjustment liabilities to banks.

32. Segmenting according Business Divisions

According to IFRS 8, operative business segments are to be differentiated based on internal controlling and reporting. The Executive Board of Nexus AG monitors the earning power at regular intervals as the highest decision-making body and makes its decisions about distribution of resources base on the business units NEXUS / CIS, NEXUS / CSO, NEXUS / DIS, NEXUS / HOSPIS, NEXUS / QM, NEXUS / NCS and NEXUS / HCS... Consequently, the business units are the operative segments in the sense of IFRS 8. The legal units included in the Group Financial Statement are also each allocated completely to a business unit. Each business unit is thus composed of one or more legal units.

In the business units NEXUS / CIS, NEXUS / CSO, NEXUS / DIS, NEXUS / QM, NEXUS / PAT.INT and NEXUS / NCS, software solutions for the healthcare system are developed and marketed in administrative and medical areas. The economic development of these business units reacts uniformly to external influences. In addition, the offered products and services, the service creation process, the customers and the sales methods are almost identical or similar. For the reasons cited, these six business units are combined in the reportable segment Healthcare Software.

Management controls the segments via the operational segment result and segment sales.

The operative segment NEXUS / HCS not allocated to the Healthcare Software reporting segment reports as independently operating Healthcare Service segment with mandatory reporting. The companies combined under Healthcare Service are managed uniformly. Under the name NEXUS / IS (previously: NEXUS / CCC), centralized services and solutions are provided for interfaces of the product integration server. NEXUS / IT provides the guiding functions in daily management of the hospital IT department from operational management all the way to taking care of the software applications used and user support. EDP-supported process consulting, including SAP consulting, is mainly offered under the brand ASS.TEC GmbH. SAP consulting is mainly provided under the name proLohn GmbH. The balance sheet and valuation methods of both segments with mandatory reporting correspond to the same accounting methods as external reporting. Transactions between the segments are settled at customary market conditions.

	2014	adjusted[1] 2013
	KEUR	KEUR
Sales		
Germany	49,381	41,885
Switzerland/Liechtenstein	24,626	24,809
France	3,079	3,031
Austria	1,743	2,002
Other regions	1,318	1,536
	80,147	**73,263**
Fixed assets (without financial assets)		
Germany[1]	39,597	35,973
Switzerland[1]	12,624	13,045
France	5,990	1,131
Austria	2	4
	58,213	**50,153**

[1] Refer to Number 2.3.

33. Financial Instruments

The Group is active internationally in part, whereby it is subject to market risks due to changes of exchange rate. The Group does not believe that these risks can have a substantial influence on the revenue and financial situation of the Group. The following explanations supplement the explanations about the information about risks in Management Report.

Non-Payment Risks

Financial instruments, which might cause a concentration of a non-payment risk for the company, are mainly assets at mostly at renowned financial institutes in Germany and Switzerland, customary market securities and trade receivables. The means of payment and means of payment equivalents of the company are mainly in euros, Swiss francs and US dollars. The marketable securities concern pension funds. The company continually monitors its investments at financial institutes, who are its contractual partners for the financial instruments, as well as their credit worthiness, and cannot detect any risk of non-fulfillment.

Non-payment risks or risks that a contractual partner cannot fulfill his payment obligations are controlled via use of credit lines and other control methods within the framework of debt management (e.g., credit investigations). There is no concentrated default risk of individual receivables on the balance sheet key date in the Group greater than EUR 1 million. There were receivables diminished in value from deliveries and services in the amount of KEUR 1,478 on 31 December 2014 (previous year: KEUR 1,973).

The default risk is limited to the book value (KEUR 29,086; previous year: 29,104)

Liquidity Risks

The Group strives to have sufficient means of payment and equivalents for these or have corresponding credit lines to fulfill its obligations over the coming years. In addition, the company has approved capital available in the amount of KEUR 6,353 (previous year: KEUR 6,353) for further capital increases.

There are no significant liabilities to banks in the Group.

The table below shows the effect of the cash flows not discounted from original financial payables on the liquidity position of the Group and compares them to the book values. Negative values correspond to a cash inflow. Payment flows deviating significantly from this (deadlines or contributions) are not expected.

Reporting according business segments	Healthcare Software		Healthcare Service		Consolidation		Group	
	2014	adjusted[1] 2013	2014	2013	2014	2013	2014	adjusted[1] 2013
	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR
Revenue								
Sales with third parties	70,442	64,940	9,705	8,323			80,147	73,263
· Services	52,761	47,301	5,851	5,533			58,612	52,834
· Licenses	13,846	13,502	1,139	360			14,985	13,862
· Deliveries	3,836	4,137	2,714	2,430			6,550	6,567
Sales between segments	32	384	2,229	4,981	-2,261	-5,365	0	0
Segment sales	70,474	65,324	11,934	13,304	-2,261	-5,365	80,147	73,263
Operating segment result[1]	7,700	5,801	331	739			8,031	6,540
Revenue from companies valuated at equity							3	0
Finance Income							287	221
Finance Expenses							-79	-63
Result before tax on profit[1]							8,243	6,698
Taxes on profit							-135	142
Consolidated surplus[1]							**8,108**	**6,840**
Of which to the account of:								
· Stockholders of NEXUS AG[1]							8,279	7,221
· Shares of non-controlling partners							-171	-381
Segment assets[1]	83,988	74,539	3,309	3,360			87,296	77,899
Financial Assets							34	43
Other assets							1,996	3,017
Deferred tax assets							4,828	3,697
Receivables from tax on profits							675	404
Cash and bank deposits							13,360	15,662
Total assets							**108,189**	**100,721**
Segment debts[1]	21,774	22,992	3,009	1,900			24,783	24,892
Financial liabilities							268	195
Liabilities from tax on profit							996	754
Other tax liabilities							2,813	821
Deferred tax liabilities							3,517	2,564
Total liabilities							**32,377**	**29,226**
Investments	5,636	5,109	523	233			6,159	5,342
Depreciation	6,586	6,703	427	375			7,013	7,078

[1] Refer to Number 2.3.

	Book value	Cash Flows	Cash Flows	Cash Flows
	31 Dec. 2014 (previous year[1])	Within 1 year (previous year)	Within 1 to 5 years (previous year[1])	After more than 5 years (previous year)
Self-generated financial liabilities	**KEUR**	**KEUR**	**KEUR**	**KEUR**
Financial liabilities	268 (195)	253 (152)	15 (43)	0 (0)
Trade accounts payable	4,890 (4,011)	4,890 (4,011)	0 (0)	0 (0)
Other[1]	10,448 (7,363)	8,160 (4,980)	2,288 (2,383)	0 (0)
Total	**15,606 (11,569)**	**13,303 (9,143)**	**2,303 (2,426)**	**0 (0)**

[1] Refer to Number 2.3.

Currency Risks

Exchange rate risks are created by sales made in Switzerland, the USA and other regions in CHF, USD and other regions as well as the resultant receivables, which are subject to exchange rate fluctuations until payment.

Interest Risks

NEXUS does not take any long-term loans. No cash flow interest risk exists. The securities concern pension funds. The investments are subject to an interest or market value risk. The fair-value risk was entered directly under other income in equity capital in a corresponding valuation reserve due to the classification of securities as performance-neutral as available financial assets until a possible sale or decrease in value.

Fair value

The financial instruments of the Group not shown in the balance sheet at the current value primarily concern claims from deliveries and services, payment means and payment mean equivalents, credit in current account, liabilities from deliveries and services and other liabilities. The book value of the payment means and payment mean equivalents is very close to the current value due to the short term of these financial instruments. The book value based on historic purchase costs is also very close to the current value for claims and debts, which are subject to normal trade credit conditions.

Transaction Risk

NEXUS AG invoiced approx. 32.4 % of its sales outside of the euro sphere in 2014 (previous year: 40.1 %). We incur costs in Swiss francs due to our operations in Switzerland, but only slight costs in US dollars. As of 31 December 2014, the Group had holdings in USD in the amount of TUSD 20 = KEUR 16 (31 December 2013: TUSD 129 = KEUR 94) and holdings in Swiss francs in the amount of TCHF 5,318 = KEUR 4,423 (31 December 2013: TCHF 5,558 = KEUR 4,530). There were trade receivables and other receivables in foreign currency in the amount of TUSD 0 = KEUR 0 (31 December 2013: TUSD 50 = KEUR 36), TNOK 385 = KEUR 43 (31 December 2012: TNOK 142 = KEUR 17) as well as TCHF 8,811 = KEUR 7,328 (31 December 2013: TCHF 7,471 = KEUR 6,089) on 31 December 2013. The trade accounts payable in foreign currency were TCHF 3,087 = KEUR 2,567 on 31 December 2014 (TCHF 1,728 = KEUR 1,409 on 31 December 2013); the liabilities in USD are not substantial as was the case in the previous year. A hedging relation did not exist on the balance sheet cut-off date. Based on the balance sheet prices of the relevant currencies, the determination of sensitivities of a hypothetical change of the exchange rate relations was set at 10 percent respectively. If the euro had appreciated (depreciated) in value 10% compared to the US dollar on the balance sheet cut-off date, the Group result before taxes would have been reduced (increased) by KEUR 2 (previous year: KEUR 13). If the Swiss franc (CHF) had had appreciated (depreciated) in value 10 % compared to the euro on the balance sheet date, the Group result before taxes would have been higher (lower) by KEUR 476 (previous year: KEUR 468).

Translation Risk

The main office of the subsidiaries, NEXUS / Schweiz GmbH (10 %), NEXUS Medizinsoftware und Systeme AG (99.98 %) and Flexreport AG (100 %), Domis Consulting AG (100 %), Synergetics AG (60 %) as well as syseca informatik ag (100 %) are outside of the area where the euro is used. Because the reporting currency of the NEXUS Group is the euro, the revenues and expenditures of these subsidiaries are converted into euros within the framework of consolidation. Changes in the average exchange rates from one reporting period to another can cause significant conversion effects, for example, with respect to sales revenues, the segment result and the Group result.

Additional Information about the Financial Instruments

The following table shows the book value according to valuation categories in line with IAS 39 and the adjusted current value according to classes of financial assets and financial liabilities. Net profits of the category FVTPL (HfT) are shown under position Other Operating Income. The net profits / losses of the category AfS contain increased profits of KEUR 76 (previous year: reduction loss of KEUR 3), which are entered in the position Finance Expenses. Losses are shown in financial expenditures.

No impairments of value in the reporting year (previous year: due to sales of securities KEUR 611) from the valuation reserve for financial instruments were recorded affecting expenditures in the Profit and Loss Account in the reporting year as was the case in the previous year. The net profits / losses of the category loans and receivables contain reduction losses of KEUR -650 (previous year: KEUR -541). These are shown in item Other Operating Expenses. Profits from value adjustments in the amount of KEUR 204 (previous year: KEUR 105) are shown under Other Operating Income.

Net Profits / Losses from Financial Instruments

The net profits and losses from financial instruments (according to valuation category) in business year can be summarized as follows:

	2014	2013
	KEUR	KEUR
FVTPL (HfT)	**0**	**0**
Net change of fair value of derivative financial instruments	0	0
AfS	**76**	**-3**
Net change of fair value of securities	76	-3
LaR	**123**	**-957**
Net change of fair value of receivables	123	-957
	199	**-960**

Interest Income / Expenditures from Financial Instruments

Interest income / expenses from financial instruments, which were not valuated with adjusted current value as revenue, were as follows in the business year 2014:

Interest Income / Expenditures from Financial Instruments	2014	2013
	KEUR	KEUR
Interest revenue	287	221
Interest payments	79	63
	208	**158**

Interest revenue refers to financial instruments of the category AfS with KEUR 95 (previous year: KEUR 80). The following overview presents the financial instruments carried in the balance sheet at the adjusted current market value, on which all essential parameters of valuation are based. The individual steps are defined according to IFRS 7:

Step 1: Valuation with prices noted on active market (used unchanged) for identical assets and liabilities.

Step 2: Valuations for the asset of liability is either direct (as price) or indirect (deduced from prices) on the basis of observable input data, which do not represent any quoted price according to level 1.
Step 3: Valuation on the basis of models with input parameters not observed on the market.

The following overview presents the financial instruments carried in the balance sheet at the adjusted current market value, on which all essential parameters of valuation are based. The individual levels are defined according to IFRS 7:

	31 December 2014			
	Level 1	Level 2	Level 3	Total
Financial assets	**2.218**	**0**	**0**	**2.218**
Securities	2.218	0	0	2.218

	31 December 2013			
	Level 1	Level 2	Level 3	Total
Financial assets	**2.142**	**0**	**0**	**2.142**
Securities	2.142	0	0	2.142

Explanation of Abbreviations

FVTPL (HfT)	Financial assets evaluated as revenue at the adjusted value at the time / liabilities (kept for trading purposes)
AfS	Financial assets available for sale
LaR	Loans and receivables
FLAC	Financial liabilities, which are valued at cost less depreciation

A separate class is to be created for the position cash balance and credit balance at banks. General assignment to the carried forward procurement costs or to the finance instruments valuated at fair value is not correct, because it is shown at nominal value, whereby foreign currencies are converted at the current exchange rate. Consequently, evaluation of the cash balance and credit balance at banks is connected with a categorization according to IAS 39, which is why there are no valuations in the balance sheet according to valuation category. With respect to the borrower's note loan, the fair value does not deviated essentially from the book value, because notice of termination can be given for this semi-annually, it has a variable interest rate and is refund at nominal value.

34. Contingent Liabilities

There were no contingent liabilities on 31 December 2014 as was the case on the cut-off date in the previous year.

35. Relation to Closely Affiliated Companies and Persons

Affiliated Companies

NEXUS AG is the highest ranking parent company. Insignificant transactions were conducted with the affiliated company G.I.T.S. Gesundheitswesen IT-Service GmbH, Fürstenfeldbruck, for the Group during the reporting period. Sales were made in the amount of KEUR 72 (previous year: EUR 60), and no purchases were made. There were outstanding receivables from deliveries and services in the amount of KEUR 18 on the cut-off date (previous year: KEUR 30) and there were no outstanding payables for goods and services. Sales were made in the amount of KEUR 21 (previous year: KEUR 21) with the affiliated company Palladium-med GmbH, Berlin, and purchases in the amount of KEUR 64 (previous year: KEUR 53) were made. There were outstanding payables for goods and services in the amount of KEUR 6 on the cut-off date (previous year: KEUR 12) and there were no outstanding record date as in the previous year. There were no business transactions with the affiliated company Medidata GmbH, Berlin in the business year.

Affiliated Persons

Management members in key positions are only management members (Supervisory Board and Executive Board) of the Group parent company NEXUS AG. In addition to their work in the Supervisory Board, the members of the Supervisory Board provide services themselves or via companies affiliated with them for the Group and invoice them in line with customary market conditions. In 2014, the expenses for such service fees were KEUR 116 (previous year: KEUR 73). There were outstanding trade accounts payables in the amount of KEUR 30 on the balance sheet cut-off date (previous year: KEUR 3). In addition, Group companies provide services to Supervisory Board members and invoice them in line with customary market conditions. In 2014, the revenues from such services amounted to KEUR 68 (previous year: EUR 101). There were outstanding trade account receivables in the amount of KEUR 8 on the balance sheet cut-off date (previous year: KEUR 21). There are no other relations to affiliated persons requiring reporting other than the information already reported at this place and other places.

The outstanding positions at the end of the business year are not collateralized, non-interest bearing and will be paid in cash. There are no guarantees for receivables or payables in connection with affiliated companies. The Group did not adjust any values for receivables with respect to affiliated companies as of 31 December 2014 as was the case on the cut-off date of the previous year. The necessity of reporting a valuation adjustment is checked annually by checking the financial situation of the affiliated company and the market, in which it is active.

36. Organs of the Group

he following persons are members of the Supervisory Board:

- Dr. jur. Hans-Joachim König, Singen; Chairperson
- Prof. Dr. Ulrich Krystek, Hofheim; Deputy Chairperson
- MBA (FH) Wolfgang Dörflinger, Constance
- MBA Matthias Gaebler, Stuttgart
- Erwin Hauser, Businessman, Blumberg
- Prof. Dr. Alexander Pocsay, St. Ingbert

The overall remuneration of the Supervisory Board amounted to KEUR 112 (previous year: KEUR 115).

The Executive Board:

- Dr. Ingo Behrendt, Constance; Chief Executive Officer
- MBA Ralf Heilig, Kreuzlingen (CH), Chief Sales Officer
- Graduated Engineer Edgar Kuner, St. Georgen; Executive Development Board

The total salaries of the Executive Board are as follows:

	2014	2013
Non-performance-related components	**KEUR**	**KEUR**
a) Services due in the short term	622	622
b) Benefits after termination of employment	597	597
Performance-related components without long-term incentives	25	25
Erfolgsabhängige Komponente ohne langfristige Anreizwirkung	350	350
Total	**972**	**972**

The Executive Board received basic pay in the amount of KEUR 972 (previous year: KEUR 972) during the business year. In addition, bonuses in the form of 11,650 no-par bearer Nexus share certificates were granted in 2014, which will become due in 2015 and are based on the share price development from the 4th quarter 2013 to the 4th quarter 2014. The shares had a value of KEUR 140 at the time of granting. Stock-based compensation was also agreed upon with the Executive Board members in May 2014. It is composed of maximum 160,000 real shares, which become due annually over the year and are based on the development of stock prices between 2015 and 2017. The shares had a value of KEUR 788 at the time of granting.

The current fair value was calculated based on a market price model under consideration of dividends expected in the future based on 67,000 shares at a weighted average of 11.73 EUR per share.

Stock-based compensation was agreed upon with the Executive Board members in December 2011. It is composed of 100,000 virtual stock options, which will become due in 2015 are based on the development of stock prices between 2012 and 2014. Total compensation from these stock options is KEUR 544 for the years 2012-2014 and was entered as a provision for liabilities.

Severance payments were not made. Based on the resolution of the general stockholders meeting of 23 May 2012, no individualized information about the salaries of Executive Board members is provided in line with Section 286 para. 5 of the German Commercial Code (HGB) for the business years 2012 until 2016.

37. Director's Holdings

In the business year 2014, the number of stocks held by the Executive Board and the Supervisory Board did not change as shown in the table below.

Supervisory Board	Number of shares held	Number of options
Dr. jur. Hans-Joachim König	101,239 Previous year (101,239)	0 Previous year (0)
Prof. Dr. Alexander Pocsay	121,500 Previous year (121,500)	0 Previous year (0)
Erwin Hauser	15,000 Previous year (15,000)	0 Previous year (0)
Prof. Dr. Ulrich Krystek	0 Previous year (0)	0 Previous year (0)
Wolfgang Dörflinger (Diplom-Betriebswirt FH)	0 Previous year (0)	0 Previous year (0)
Matthias Gaebler	0 Previous year (0)	0 Previous year (0)

Executive Board	Number of shares held	Number of options
Dr. Ingo Behrendt (MBA)	112,000 Previous year (112,000)	0 Previous year (0)
Ralf Heilig (MBA)	135,350 Previous year (135,350)	0 Previous year (0)
Edgar Kuner (Graduated Engineer)	248,051 Previous year (248,051)	0 Previous year (0)

38. Events after the balance sheet date

The following events requiring reporting took place after the balance sheet key date:

1. NEXUS AG acquired 100 % of the shares of quCare Solutions B.V., Nieuwegein (NL), on 9 February 2015 The purchase price of KEUR 18,435 was paid in cash.

2. The Executive Board of NEXUS AG resolved to conduct a capital increase on 26 February 2015 with approval of the Supervisory Board. Using the authorized capital available, the capital stock of NEXUS AG is to be increased from the previous EUR 15,105,150 by EUR 630,515 (4.2 %) to EUR 15,735,665 against cash investment via issue of 630,515 registered shares with exclusion of subscription rights. Thanks to the placement of new shares among investors, 8.8 million euros were achieved. The issue price was EUR 13.95.

39. Statement in line with Section 161 German Stock Corporation Law about Corporate Governance Code

The Supervisory Board and the Executive Board of Nexus AG submitted the statement required according to Section 161 of the German Stock Corporation Law on and made it continually accessible on the Group homepage at www.nexus-ag.de – Investor Relations – Corporate Governance.

Villingen-Schwenningen, 23 March 2015

NEXUS AG
The Executive Board

As of 31 Dec. 2014 in KEUR	Class pursuant to IFRS 7.6	Adjusted fair value	Book value	Valuation base on the balance sheet according to valuation category IAS 39			
	Valuation	as of 31 December 2014	as of 31 December 2014	FVTPL (HfT)	AfS	LaR	FLAC
Assets							
Securities	at fair value	2,218	2,218	–	2,218	–	–
Loan against borrower's note	at procurement costs carried forward	7,000	7,000	–	–	7,000	–
Cash and credit balances at banks		–	13,360	–	–	–	–
Trade receivables	at procurement costs carried forward	19,165	19,165	–	–	19,165	–
Receivables from companies valuated at equity	at procurement costs carried forward	18	18	–	–	18	–
Other receivables	at procurement costs carried forward	92	92	–	–	92	–
Other self-generated non-financial assets	at procurement costs carried forward	697	697	–	–	697	–
		29,190	**42,550**	**–**	**2,218**	**26,972**	**–**
Liabilities							
Financial liabilities	at procurement costs carried forward	268	268	–	–	–	268
Trade accounts payable	at procurement costs carried forward	4,890	4,890	–	–	–	4,890
Other self-generated financial liabilities	at procurement costs carried forward	9,452	9,452	–	–	–	9,452
		14,610	**14,610**	**–**	**–**	**–**	**14,610**

As of 31 Dec. 2013 in KEUR	Class pursuant to IFRS 7.6	adjusted[1] Adjusted fair value	adjusted[1] Book value	Valuation base on the balance sheet according to valuation category IAS 39			
	Valuation	**as of 31 December 2013**	**as of 31 December 2013**	**FVTPL (HfT)**	**AfS**	**LaR**	adjusted[1] **FLAC**
Assets							
Securities	at fair value	2,142	2,142	–	2,142	–	–
Loan against borrower's note	at procurement costs carried forward	6,000	6,000	–	–	6,000	–
Cash and credit balances at banks		–	15,662	–	–	–	–
Trade receivables	at procurement costs carried forward	19,133	19,133	–	–	19,133	–
Receivables from companies valuated at equity	at procurement costs carried forward	30	30	–	–	30	–
project orders with gross amount due from customers	at procurement costs carried forward	147	147	–	–	147	–
Other receivables	at procurement costs carried forward	10	10	–	–	10	–
Other self-generated non-financial assets	at procurement costs carried forward	1,581	1,581	–	–	1,581	–
		29,043	**44,705**	**–**	**2,142**	**26,901**	**–**
Liabilities							
Financial liabilities	at procurement costs carried forward	195	195	–	–	–	195
Trade accounts payable	at procurement costs carried forward	4,011	4,011	–	–	–	4,011
Other self-generated financial liabilities	at procurement costs carried forward	6,609	6,609	–	–	–	6,609
		10,815	**10,815**	**–**	**–**	**–**	**10,815**

1) Refer to Number 2.3.

Assurance of Legal Representatives

According to the best of our knowledge, we assure that the actual relations corresponding to the assets, finances and revenue situation of the Group in line with the accounting principles to be applied for the Group Financial Statement are stated and that the course of business including the business result and the situation of the Group are depicted in the Group Status Report, so that the actual relations as well as the essential chances and risks of the probable development of the Group are described.

Villingen-Schwenningen, 23 March 2015

NEXUS AG
The Executive Board

Audit certificate of the auditor

We have audited the Group Financial Statement drawn up by the NEXUS AG composed of Group Balance Sheet, Group Profit And Loss Account, Group Statement of Comprehensive Income, Group Cash Flow Statement, Group Equity Capital Modification Account and Group Appendix as well as the Group Status Report for the business year from 1 January until 31 December 2014. The preparation of the Group Financial Statement and the Group Status Report in line with IFRS, as they are to be applied in the EU, and the supplementary commercial law regulations according to Section 315a clause 1 of the German Commercial Code are the responsibility of the Executive Board of the company. Our job is to provide an assessment of the Group Financial Statement and the Group Status Report on the basis of an audit, which we conduct.

“We conducted our audit of the Group Financial Report in accordance with Section 317 of the German Commercial Code (HGB) under consideration of the German principles set by the Institute of Auditors (IDW). Accordingly, the audit should be planned and conducted in such a way that misstatements and violations, which have an essential effect on the depiction of the picture of the situation of assets, finances and revenue communicated by the Group Financial Statement under consideration of the applicable regulations and by the Group Status Report, are detected with sufficient certainty. At setting the auditing procedures, knowledge about the business operations and the economic and legal environment of the Group as well as the expectations of possible errors are considered. Within the framework of the audit, the effectiveness of the internal control system related to accounting as well as proofs from the information in the Group Financial Statement and the Group Status Report are judged mainly on the basis of spot checks. The audit includes judgment of the year-end financial statements of companies included in the Group Financial Statement, delimitation of the consolidation circle, the applied accounting and consolidation principles and the essential estimates of the Executive Board as well as an assessment of the overall depiction of the Group Financial Statement and the Group Status Report. We believe that our audit provides a sufficiently reasonable basis for our judgment.

Our audit did not find anything objectionable.

According to our judgment based on the information obtained in the audit, the Group Financial Statement and the Group Status Report are in line with IFRS, as they are to be applied in the EU, and the supplementary commercial law regulations according to Section 315a para. 1 of the German Commercial Code (HGB), and communicate a picture of the situation of the assets, finances and revenue of the Group corresponding to actual conditions. The Group Status Report is in agreement with the Group Financial Statement and communicates a generally accurate picture of the situation of the group and presents the chances and risks of future development correctly.

Freiburg im Breisgau, 23 March 2015

KPMG AG
Auditing Company

Brantner	Laubert
Auditor	*Auditor*

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