



AMADEUS FIRE

Quarter I Report 2004/2005

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Temporary Staffing
Permanent Placement
Interim-Management
Recruitment
Training and Education



AMADEUS FIRE Group Financial Summary

Amounts stated in EUR k	1 st quarter 2004/2005	1 st quarter 2003/2004	Divergency in %
Sales revenues	10.767	12.466	-13,6
Gross profit on sales	4.289	4.825	-11,1
Gross profit margin in %	39,8	38,7	
EBITDA	443	564	-21,5
EBITDA margin in %	4,1	4,5	
EBITA	159	251	-36,8
EBITA margin in %	1,5	2,0	
EBIT	159	-95	269,1
EBIT margin in %	1,5	-0,8	
Profit before tax	208	-34	711,8
PBT margin in %	1,9	-0,3	
Net earnings	223	-78	368,6
Net earnings margin in %	2,1	-0,6	
Balance sheet total	27.541	32.248	-14,6
Stockholders' equity	21.717	24.155	-10,1
Cash and cash equivalents	10.333	12.812	-19,3
Net Cash from operating activities	-360	-594	39,3
Net Cash from operating activities per share	-0,07	-0,11	
Earnings per share	0,01	-0,05	120,0
Average number of shares undiluted	5.295.064	5.295.064	
Earnings per share diluted	0,01	-0,05*	120,0
Average number of shares diluted	5.550.911	5.544.511	
Number of employees (productive)	645	808	-20,2

*) Under IAS 33.40, potential ordinary shares are disregarded in calculating diluted earnings per share as they would decrease the loss per share.



Management's Discussion

Consolidated Financial Statements

1st Quarter of Fiscal Year 2004/2005 (01.04. – 30.06.2004)

After three months of the fiscal year the Group has achieved consolidated sales revenues of EUR k 10.767 (prior year: EUR k 12.466), a decline of 13,6 per cent. The consolidated financial statements are prepared in accordance with IFRS and show at 30th June 2004 the following revenues in the different services:

- Temporary staffing EUR k 5.738 (prior year EUR k 7.580), a decrease of 24,3 per cent
- Interim and project management EUR k 1.698 (prior year EUR k 1.872), a decrease of 9,4 per cent
- Permanent placement EUR k 1.138 (prior year EUR k 1.129), a slight increase of 1 per cent
- Training & education EUR k 2.194 (prior year EUR k 1.885), an increase of 16,5 per cent

The decrease of temporary staffing sales is caused by a continuing lack of demand in finance and accounting.

In an ongoing recessive environment, the interim/project management and permanent placement services have nearly maintained prior year levels.

Steuer-Fachschule Endriss continues to strengthen its leading market position in the area of accounting and tax training seminars.

After the first three months of the fiscal year AMADEUS FIRE achieves a gross profit of EUR k 4.289 (EUR k 4.825 in prior year). The gross profit margin gained 113 basis points, improving from 38,7 per cent to 39,8 per cent.

The margin improvement is mainly caused by a larger part of training and education business of total sales.



Management's Discussion

The selling and administrative expenses decreased by 10,3 per cent in the first quarter due to cost cutting measures which were initiated in the last fiscal year. In total they declined from EUR k 4.607 to EUR k 4.134.

For the interim period ended June 30, 2004 IFRS 3 (see notes) as well as IAS 36 and IAS 38 in their revised versions (revised 2004) have been applied for the first time eliminating the goodwill amortization. The operating profit totals EUR k 159 (prior year: EUR k 259), a reduction of 36,8 per cent. The EBITA margin for the first three months was 1,5 per cent compared to 2,0 per cent in prior year's quarter. The planned result for the first quarter was achieved.

The Amadeus Group states a net income of EUR k 223 for the first quarter after a net loss of EUR k 78 in the prior year (prior year including goodwill amortization). The undiluted earnings per share amount to EUR 0,01 (prior year: EUR -0,05).

Financial Position

In the first quarter the cash flow from operating activities was negative with EUR k -360 (prior year -594). This is due to a decreasing operating result, increased receivables in the training and education business and tax refunds. Net capital expenditures for the interim reporting period amounted to EUR k 66 (prior year: EUR k 241). Outstanding purchase price instalments for acquisitions in former periods led to a cash out of EUR k 721. After this instalment all AMADEUS FIRE acquisitions are paid. Dividends to minority shareholders of Steuer-Fachschule Endriss in the amount of EUR k 741 have been paid.

At 30th of June 2004 the cash position totals to EUR k 10.333.

Management's Discussion

Prospects

In general a recovery has taken place in the German staffing industry due to a positive development in the blue collar area. For the specialized area of finance and accounting this has not yet been realised. The ongoing difficult economic situation has further negative impacts on this segment.

After a generally weak quarter in terms of sales and profit, which is caused by many bank holidays, an improvement of the results for the current quarter is expected.

Frankfurt, July 22, 2004



Günter Spahn
Vorstandsvorsitzender



Peter Haas
Vorstand Finanzen

Consolidated Income Statement

1st Quarter of Fiscal Year 2004/2005

Amounts stated in EUR k	01.04. – 30.06.2004	01.04. – 30.06.2003
Sales revenues	10.767	12.466
Cost of rendered services	6.487	7.641
Gross profit	4.289	4.825
Selling expenses	3.197	3.402
Administrative expenses	935	1.188
Other operating income	10	21
Other operating expenses	-8	-4
Income from operations before goodwill amortization	159	251
Goodwill amortization	0	346
Income from operations	159	-95
Financial result	49	60
Income before taxes	208	-35
Income taxes	15	-43
Profit for the period	223	-78
allocated to shareholders	29	-247
allocated to minorities	194	169
Earnings per share		
basic (euro/share)	0,01	-0,05
diluted (euro/share)	0,01	-0,05*

*) Under IAS 33.40, potential ordinary shares are disregarded in calculating diluted earnings per share as they would decrease the loss per share.

Consolidated Balance Sheet

Amounts stated in EUR k	30.06.2004	31.03.2004
Assets		
Non-current assets		
Software	651	714
Goodwill	9.996	9.996
Property, plant & equipment	1.516	1.671
Deferred taxes	142	142
	12.305	12.523
Current assets		
Trade receivables and other assets	4.581	4.478
Prepaid expenses	322	459
Cash and cash equivalents	10.333	12.179
	15.236	17.110
Total assets	27.541	29.633
Equity & Liabilities		
Equity		
Capital stock	5.295	5.295
Capital reserve	12.099	12.099
Legal reserves	0	0
Adjustment item from currency translation	-43	-35
Retained earnings	4.366	4.337
Minority interests	313	860
	22.030	22.556
Current liabilities		
Provisions for taxes	505	190
Trade payables	595	568
Other liabilities and accruals	4.411	6.319
	5.511	7.077
Total equity & liabilities	27.541	29.633

Statement of Changes in Equity

Amounts stated in EUR k	Capital stock	Capital reserve	Legal reserves	Currency translation	Retained earnings	Minority interests	Total
01.04.2003	5.295	12.099	30	-67	7.046	558	24.961
Dividends paid	0	0	0	0	0	-439	-439
Currency translation	0	0	0	-2	0	0	-2
Net income	0	0	0	0	-247	169	-78
30.06.2003	5.295	12.099	30	-69	6.799	288	24.442
01.07.2003	5.295	12.099	30	-69	6.799	288	24.442
Dividends paid	0	0	0	0	-2.224	0	-2.224
Currency translation	0	0	0	34	0	0	34
Net income	0	0	0	0	-268	572	304
Transfer from legal reserves	0	0	-30	0	30	0	0
31.03.2004	5.295	12.099	0	-35	4.337	860	22.556
01.04.2004	5.295	12.099	0	-35	4.337	860	22.556
Dividends paid	0	0	0	0	0	-741	-741
Currency translation	0	0	0	-8	0	0	-8
Net income	0	0	0	0	29	194	223
30.06.2004	5.295	12.099	0	-43	4.366	313	22.030

Consolidated Cash Flow Statement

1st Quarter of Fiscal Year 2004/2005

Amounts stated in EUR k	01.04. – 30.06.2004	01.04. – 30.06.2003
Cash flow from operating activities		
Profit for the period	223	-78
Income and deferred taxes	-15	20
Depreciation/amortization on non-current assets	284	658
Financial income	-51	-71
Interest expenses	2	11
Operating result before changes to net working capital	443	540
Increase/decrease in trade receivables and other receivables	-108	140
Increase/decrease in prepaid expenses	137	147
Increase/decrease in trade payables, other liabilities and accruals	-847	-922
Cash generated from operations	-375	-95
Interest paid	-10	-36
Income taxes paid/received	25	-463
Net cash flow from operating activities	-360	-594

Consolidated Cash Flow Statement

1st Quarter of Fiscal Year 2004/2005

Amounts stated in EUR k	01.04. – 30.06.2004	01.04. – 30.06.2003
Balance carried forward	-360	-594
Cash Flow from investing activities		
Paid purchase price instalments	-721	0
Purchase of intangible assets and property, plant and equipment	-99	-297
Disposals of non-current assets	33	56
Interest received	50	64
Net cash used for investing activities	-737	-177
Cash Flow from financing activities		
Currency translation adjustment	-8	-2
Dividends to minority shareholders	-741	-376
Net cash used for financing activities	-749	-378
Net increase/decrease in cash and cash equivalents	-1.846	-1.149
Cash and cash equivalents at the beginning of fiscal year	12.179	13.961
Cash and cash equivalents at 30th of June	10.333	12.812

Segment Reporting

1st Quarter of Fiscal Year 2003/2004

Amounts stated in EUR k	Temporary staffing/ interim- and project- management/ permanent placement	Training and education	Elimini- nation	Consoli- dated
01.04.–30.06.2004				
Sales				
External sales	8.573	2.194	0	10.767
Inter-segment sales	0	0	0	0
Total revenue	8.573	2.194	0	10.767
Segment result	583	509	0	1.092
Segment result before goodwill amortization	583	509	0	1.092
01.04.–30.06.2003				
Sales				
External sales	10.581	1.885	0	12.466
Inter-segment sales	0	0	0	0
Total revenue	10.581	1.885	0	12.466
Segment result	714	363		1.077
Segment result before goodwill amortization	961	462		1.423

Notes

Accounting according to International Financial Reporting Standards (IFRS)

As a public enterprise, the Amadeus Group has made use of the provision in Sec. 292a of the German commercial code (HGB). The present interim report was prepared in accordance with the IFRS published by the International Accounting Standards Board (IASB) and with their interpretations by the International Financial Reporting Interpretations Committee (IFRIC).

Basis of preparation

The interim report was prepared in accordance with IAS 34 (Interim Financial Reporting). The company applies the standards IAS 1 and IAS 27 as relevant standards, in their revised versions from the improvement project.

In accordance with IAS 27 (revised 2004) minority interests are now presented as a component of shareholders' equity. In the profit and loss statement the minority interest of the net profit is shown as a distribution of profit. Prior year's figures of the balance sheet, the income statement and the statement of cash flows are adjusted accordingly.

Accounting and valuation methods

For the fiscal year 2004/2005 IFRS 3 in conjunction with IAS 36 (revised 2004) and IAS 38 (revised 2004) is applied for the first time. At the transition date the required impairment tests have been made as of March 31, 2004. The goodwill have been allocated to the cash generating units. The impairment tests have been performed on this basis. Cash generating units are operating units of the AMADEUS FIRE group.

The allocation of goodwill to business segments as at the transition date April 1st, 2004 is shown in the segment reporting in the last annual consolidated financial statements.

The impairment tests as at the transition date were performed on the basis of fair values less costs to sell for the cash generating units. For this purpose the DCF method was applied.

The cash flows underlying the DCF valuation are based on current business plans and consider past experiences as well as future expectations. The terminal growth rate used does not exceed the long-term growth rate of the industry in which the cash generating units operate.

As key assumptions the terminal growth rate of 1% and the discount rate of 10,5% were used.

Due to the application of IFRS 3 and IAS 38 (revised 2004) goodwill amortization is no longer amortized.

All other accounting policies and methods of computation were applied as in the last consolidated financial statements as of March 31, 2004. A detailed description of the methods applied is given in the notes to the AMADEUS FIRE annual report 2003/2004.

Consolidated companies

Since the end of the last fiscal year 2003/2004 on March 31, 2004, no changes have occurred in the list of consolidated companies.

Segment reporting

Pursuant to IAS 14.35, segment reporting for geographical segments is not necessary.

Material events subsequent to the end of the interim period

There have been no material events subsequent to the end of the first three months of the fiscal year 2004/2005.

Responsible

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