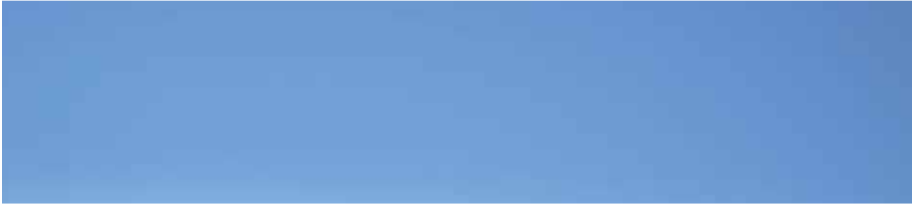


Annual Report 2008



Shares

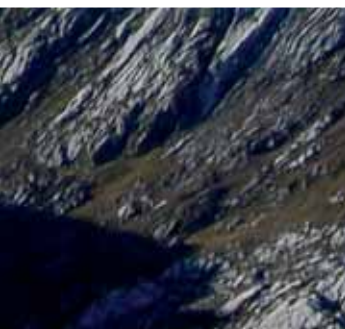
THE CHALLENGE.

CARSTENSZ PYRAMID

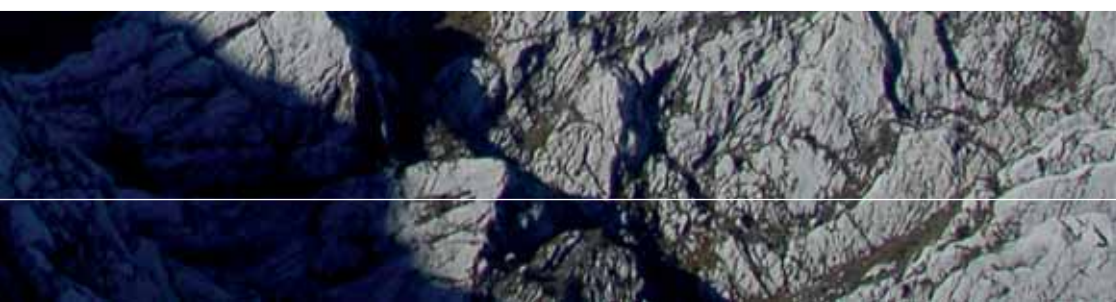
Puncak Jaya (sometimes also referred to as the Carstensz Pyramid) is located directly beside the world's largest goldmine – the Grasberg Mine in the part of New Guinea belonging to Indonesia. While large parts of the ascent involve straightforward climbing through a 700-meter-high rock face made of pure chalk and the key section has a difficulty level of V, the main problem is actually getting to the base camp. With an aggressive indigenous population, corrupt officials and anti-tourist mining companies, traveling to the foot of the mountain is an adventure in itself.



Australia/Oceania



Name	Carstensch-Pyramid
Elevation	4.884m
Location	Indonesia (Papua Province)
Range	Sudirman Range
Coordinates	4° 5' 0" S, 137° 11' 0" O
First ascent	1962, H. Harrer, P. Temple, R. Kippax und A. Huizenga





Shares

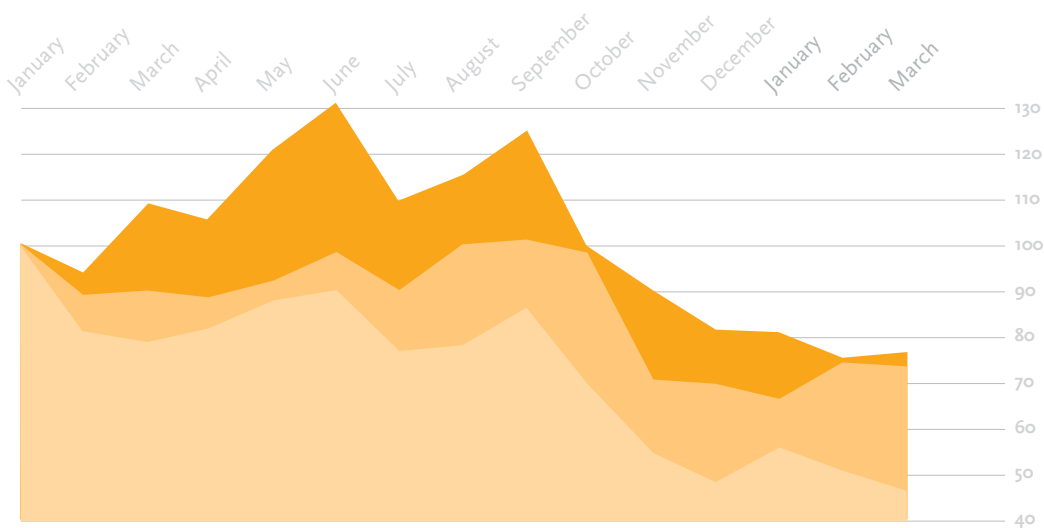
THE STOCK MARKET IN 2008

Dax loses 40 percent, REALTECH shares follow the market trend

The year 2008 was a year of extremes on financial markets all over the globe. Unprecedented share price swings were to be seen – not only downwards, but also upwards. To take one example, a barrel of WTI (West Texas Intermediate) crude oil cost USD 94 in January, USD 147 in July and just USD 35 at the end of the year. The euro fluctuated between USD 1.25 and USD 1.60. And, in October, the VW share price skyrocketed from around EUR 200 to more than EUR 1,000 in the space of two trading days. However, this development was an exception to the rule, as the prices of German blue-chip shares generally fell rather than rose in 2008 in line with international stock markets. The Dax fell by around 40 percent, while the Euro-Stoxx-50 index, which comprises the 50 most important stock corporations in the euro region, dropped by as much as 44 percent. The most important stock market barometer worldwide, the Dow Jones index, saw a fall of 34 percent.

Having begun the stock market year 2008 at 8,067 points, the Dax fell up to the end of November to reach its low point for the year of 4,127, before recovering in December to end the year at 4,810 points. This marked an end to a five-year upward trend, during which the Dax had increased from 2,188 points in March 2003 to its all-time high of 8,152 points in July 2007.

The German stock market's technology share index, TecDax, was also among the list of losers, recording a decrease of just under 48 percent. The shares that were mainly responsible for this were the shares of solar power companies listed in the index. One TecDax heavyweight alone, Q-Cells, which is the world's largest



SHARE PRICE INDEX

- REALTECH share
- Prime Software
- TecDax

Nonetheless a 18 percent decrease the REALTECH share remained above relevant comparative indices.



independent manufacturer of solar cells, saw its value plunge by around 74 percent. The market barometer for German second-line shares, the MDax, recorded a decrease of 43 percent over the course of the year.

Subdued forecasts for the first half of 2009

At the beginning of 2009, the fallout from the financial crisis is spreading, while the mood on stock markets remains subdued and full of caution. Governments around the globe have now decided to invest billions in rescue packages in order to support banks and boost the flailing economy. In addition, central banks have cut interest rates with a view to restoring liquidity on financial markets.

For 2009, Dax market strategists consider a growth rate of 15 percent to be quite possible. Banks have similarly optimistic expectations for other stock market barometers such as the Dow Jones index and the Euro-Stoxx-50 index. With regard to the first six months of 2009, however, analysts are more reserved and anticipate that the stagnation in the Dax and Euro-Stoxx-50 index will continue. Nevertheless, after that, things are expected to look up again for the economy and stock markets.

Share performance and market capitalization

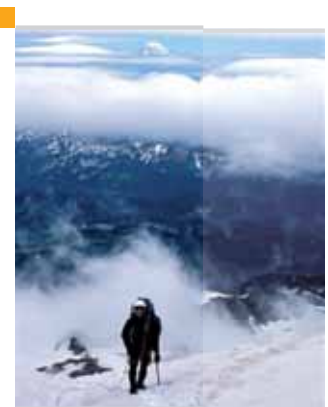
On December 8, 2008, the capital repayment of EUR 3.99 per share previously decided on by the General Meeting was carried out. Due to this, Deutsche Börse marked down the REALTECH share price for the following trading day by this amount, meaning that the company's shares have been traded "ex capital repayment" on the Frankfurt stock exchange since December 9, 2008. To make the previous price levels in 2008 easier to compare, Deutsche Börse also adjusted them to the new level.

The company's shares therefore began 2008 at an adjusted rate of EUR 6.40. From April onwards, a constant upward trend led to a price level of EUR 8.66, which was achieved on May 29, 2008 right on

time for the shareholder meeting. The share price had thus risen by 35 percent compared to the beginning of the year. As a result of paying out dividends, the share price fell back to EUR 7.55 and ended the second quarter of 2008 at a level of EUR 6.99.

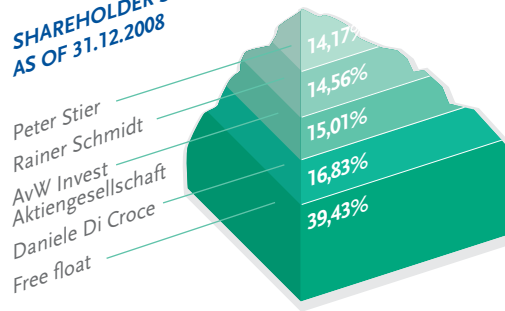
Following the publication of the provisional figures for the second quarter, REALTECH's share price leapt to EUR 7.45 EUR and continued to rise to EUR 8.08. As of the third quarter, the stock market was affected by the crisis in financial markets. Although REALTECH shares were largely spared the impact, they were not completely immune to these economic developments. Consequently, the share price temporarily fell to EUR 4.96. After Deutsche Börse had adjusted the price to EUR 6.00 following the capital repayment on December 8, 2008, a downward movement was recorded for technical reasons, with a share price of EUR 5.22 being recorded on the last trading date of 2008.

The REALTECH share price rose continually for four years before slipping back in 2008, with the 18 percent decrease recorded being its first year-on-year decrease since 2004. Nonetheless, the share price remained above relevant comparative indices such as the TecDax and Prime Software performance index. On December 31, 2008, the company's market capitalization stood at EUR 28 million, corresponding to 94 percent of book equity.





**SHAREHOLDER STRUCTURE
AS OF 31.12.2008**



Shareholder structure and trading volume

The shareholder structure of REALTECH AG saw a significant change in fiscal year 2008, as in February the proportion of voting rights held by French-based Nobel S.A. Compagnie Financière fell below the five-percent limit for compulsory disclosure in accordance with Section 21, Paragraph 1 of the German Securities Trading Law (WpHG) and the company subsequently sold all its REALTECH shares. REALTECH AG's free float consequently increased to 39.43 percent on December 31, 2008 (December 31, 2007: 34.23 percent).

The company's trading volume also increased compared to the year before, with the average number of the Group's shares being bought and sold each day up 17 percent from 8,854 shares in 2007 to 10,383 shares in the year under review. As in previous years, the majority of REALTECH shares were bought and sold via the electronic trading platform Xetra. Specifically, this platform accounted for 71 percent (2007: 73 percent), while other stock markets accounted for 29 percent (2007: 27 percent).

Shareholder meeting

At REALTECH AG's ninth regular General Meeting in Wiesloch, all decisions were approved by a large majority of the 200 or so shareholders and guests present. Amongst other things, this was the case for the presentation of the annual accounts, the proposal to use the net profit to pay a dividend of EUR 0.50 per participating share, and approving the actions of the members of the Executive and Supervisory Boards. In addition, those present agreed to increase capital from company funds followed by an ordinary capital reduction and authorization was granted to purchase the company's own shares.

Ten years of REALTECH shares

REALTECH shares are celebrating a minor milestone in 2009. Founded in 1994, the company has been listed on the stock exchange for ten years now; its first trading day was April 26, 1999. The shares are listed in the Prime Standard segment, in which stock corporations have to comply with international transparency requirements that go beyond the requirements of the regulated market.

Extensive and transparent communication

REALTECH AG's investor relations activities in 2008 were characterized by extensive and transparent communication with both investors and the general public. After all, exemplary communication with existing and potential shareholders is of great importance for the company and plays a key role in achieving the shared goal of "flying high". For this reason, REALTECH has for many years also been an active member of the German investor relations association (DIRK), which lays down the standards for professional communication between listed companies and the capital market. What's more, in 2008 the company was again present at the largest European investor fair, the German Equity Forum in Frankfurt.

Despite the developments on international stock markets since the fall of 2008, the Executive and Supervisory Boards continue to consider REALTECH shares to be an attractive investment for both private and institutional investors. This opinion is supported by the company's performance, as REALTECH has a successful business model with the profitable segments of consulting and software, not to mention a clearly defined service portfolio. On top of this, REALTECH has established a leading position in a market with excellent future prospects. The Group's growth expectations lay a sound foundation for the REALTECH share price to increase again in the future.



Basics

Market Segment
Prime Standard
Date of issue
26. April 1999
ISIN
700 890
Exchange ID
RTC
Issue price
54,00 EUR

Shares and stock options of the issuer and members of executive bodies as of 31.12.2008

Issuer
REALTECH AG: - treasury shares

Executive Board
Nicola Glowinski:
88.000 stock options, 37.000 shares
Dr. Rudolf Caspary:
49.000 stock options, 29.000 shares

Supervisory Board
Daniele Di Croce: 885.500 shares
Rainer Schmidt: 765.500 shares
Peter Stier: 745.500 shares

Key figures

	2008	2007
	EUR	EUR
Earnings per share	1,08	0,87
Cash flow per share	0,63	0,77
Shareholders' equity per share	5,56	8,99
Highest share price	8,66	12,87
Lowest share price	4,96	8,95
Share price at year end	5,22	12,00
Market capitalization at year end	28 Mio.	63 Mio.
Number of shares at year end	5.260.452	5.248.452