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Mackevision Medien Design GmbH

Stuttgart

Annual financial statements for the business year from 07/01/2017 to 06/30/2018**table of contents**

Auditor's report

Accounting

Order conditions, liability and reservation of use

General Conditions of Contract

Note:

We have issued the following auditor's report, taking into account the statutory and professional provisions, in accordance with the conditions described in the annex "Conditions of order, liability and reservation of use".

If the present document is used in electronic form for the purpose of disclosure in the Federal Gazette, only the files for invoicing and, in the case of statutory auditing obligations, the auditor's report or the certificate issued in this regard determines.

Independent auditor's report

To Mackevision Medien Design GmbH

Examination Opinions

We have the annual financial statements of Mackevision Medien Design GmbH, Stuttgart - consisting of the balance sheet as of June 30, 2018 and the income statement for the financial year from July 1, 2017 to June 30, 2018 as well as the notes, including the presentation of the accounting - and evaluation methods - checked. In addition, we have audited the management report of Mackevision Medien Design GmbH for the financial year from July 1, 2017 to June 30, 2018.

In our opinion, based on the knowledge gained during the audit

- The attached annual financial statements comply in all material respects with the German commercial law regulations applicable to corporations and, in compliance with the German principles of proper accounting, give a true and fair view of the assets and financial position of the company as of June 30, 2018 as well as its earnings position for the financial year from July 1, 2017 to June 30, 2018 and
- the attached management report gives an overall accurate picture of the company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and accurately presents the opportunities and risks of future development.

In accordance with Section 322, Paragraph 3, Clause 1 of the German Commercial Code (HGB), we declare that our audit has not led to any objections to the correctness of the annual financial statements and the management report.

Basis for the examination results

We carried out our audit of the annual financial statements and the management report in accordance with Section 317 of the German Commercial Code (HGB), taking into account the generally accepted German auditing principles established by the Institut der Wirtschaftsprüfer (IDW). Our responsibility under these regulations and principles is further described in the section "Responsibility of the auditor for the audit of the annual financial statements and the management report" of our auditor's report. We are independent of the company in accordance with the German commercial and professional regulations and have fulfilled our other German professional obligations in accordance with these requirements. We believe

Responsibility of the legal representatives for the annual financial statements and the management report

The legal representatives are responsible for the preparation of the annual financial statements, which comply in all essential respects with the German commercial law regulations applicable to corporations, and for ensuring that the annual financial statements, in compliance with the German principles of proper bookkeeping, give a true and fair view of the assets, finance - and the company's earnings position. Furthermore, the legal representatives are responsible for the internal controls that they have determined to be necessary in accordance with the German principles of proper accounting to enable the preparation of the annual financial statements,

When preparing the annual financial statements, the legal representatives are responsible for assessing the company's ability to continue business operations. They are also responsible for disclosing issues relating to the going concern of the company, if relevant. In addition, they are responsible for accounting for the going concern basis of accounting, unless actual or legal circumstances conflict with this.

In addition, the legal representatives are responsible for the preparation of the management report, which as a whole provides an accurate picture of the company's position, is consistent with the annual financial statements in all material respects, complies with German legal requirements and accurately presents the opportunities and risks of future development. Furthermore, the legal representatives are responsible for the precautions and measures (systems) that they have deemed necessary to enable the preparation of a management report in accordance with the applicable German legal regulations and to be able to provide sufficient suitable evidence for the statements in the management report.

Auditor's responsibility for the audit of the annual financial statements and the management report

Our aim is to obtain sufficient certainty as to whether the annual financial statements as a whole are free of material - intended or unintentional - misrepresentation and whether the management report as a whole gives an accurate picture of the company's position and, in all material matters, with the annual financial statements as well is in line with the knowledge gained during the audit, complies with German legal regulations and correctly presents the opportunities and risks of future development, as well as issuing an auditor's report that includes our audit opinions on the annual financial statements and the management report.

Adequate security is a high level of security, but no guarantee that an audit carried out in accordance with Section 317 of the German Commercial Code (HGB) and in compliance with the German principles of proper auditing established by the Institute of Auditors (IDW) will always reveal a material misrepresentation.

Misrepresentations can result from violations or inaccuracies and are regarded as material if it could reasonably be expected that they individually or collectively influence the economic decisions of the addressees made on the basis of these annual financial statements and management report.

During the examination, we exercise our due discretion and maintain a critical attitude. Furthermore

- we identify and assess the risks of material - intentional or unintentional - misrepresentations in the annual financial statements and the management report, plan and carry out audit procedures in response to these risks, and obtain audit evidence that is sufficient and suitable to serve as a basis for our audit opinions. The risk that material misrepresentations are not detected is higher in the case of violations than inaccuracies, since violations can involve fraudulent cooperation, forgeries, intentional incompleteness, misleading representations or the overriding of internal controls;
- We gain an understanding of the internal control system relevant to the audit of the annual financial statements and the precautions and measures relevant to the audit of the management report in order to plan audit procedures that are appropriate under the given circumstances, but not with the aim of providing an audit opinion on the effectiveness of these Delivering systems to society;
- we assess the appropriateness of the accounting methods used by the legal representatives as well as the acceptability of the estimated values presented by the legal representatives and the related information;
- we draw conclusions about the appropriateness of the going concern accounting principle applied by the legal representatives and, on the basis of the audit evidence obtained, whether there is any material uncertainty in connection with events or circumstances, the significant doubts about the company's ability to continue as a going concern can raise. If we come to the conclusion that there is material uncertainty, we are obliged to draw attention to the relevant information in the annual financial statements and in the management report in the auditor's report or, if this information is inappropriate, to modify our respective audit opinion. We draw our conclusions based on the audit evidence obtained up to the date of our auditor's report. Future events or circumstances can, however, mean that the company can no longer continue its business activities;
- We assess the overall presentation, structure and content of the annual financial statements, including the information, as well as whether the annual financial statements represent the underlying business transactions and events in such a way that the annual financial statements, in compliance with German generally accepted accounting principles, give a true and fair view of the asset, financial and the company's earnings position;
- we assess the consistency of the management report with the annual financial statements, its compliance with the law and the picture it provides of the company's position;
- we perform audit procedures on the future-oriented information presented by the legal representatives in the management report. On the basis of sufficient suitable audit evidence, we particularly review the significant assumptions on which the future-oriented information is based by the legal representatives and assess the appropriate derivation of the future-oriented information from these assumptions. We do not issue an independent audit opinion on the future-oriented information or the underlying assumptions. There is a considerable unavoidable risk that future events will differ materially from the forward-looking statements.

Among other things, we discuss with those responsible for monitoring the planned scope and timing of the audit as well as significant audit findings, including any deficiencies in the internal control system that we discover during our audit.

Stuttgart, February 19, 2019

Ernst & Young GmbH
auditing company

Renner, auditor

Wittmann, auditor

BALANCE SHEET AS OF JUNE 30, 2018

ASSETS

	06/30/2018	06/30/2017
	EUR	EUR
1. Self-developed software	0.00	2,513,157.30
A. FIXED ASSETS		
I. Intangible Assets		
2. Purchased software	481,706.74	555,255.37
3. Goodwill	0.00	0.50
4. Advance payments made	0.00	243,620.00
	481,706.74	3,312,033.17
II. Tangible assets		
1. Technical systems and machines	298.35	1,012.00
2. Factory and office equipment	758,147.10	330,497.94
	758,445.45	331,509.94
III. Financial assets		
1. Shares in affiliated companies	6,363,322.38	3,222,552.65
2. Loans to affiliated companies	1,799,875.98	0.00
	8,163,198.38	3,222,552.65
	9,403,350.55	8,866,095.76
B. CURRENT ASSETS		
I. Inventories		

	06/30/2018	06/30/2017
	EUR	EUR
unfinished tasks	1,935,842.18	1,125,404.14
II. Receivables and other assets		
1. Trade accounts receivable	2,058,195.23	2,911,230.61
2. Receivables from affiliated companies	20,689,408.92	11,890,481.94
3. Other assets	3,277,502.69	482,156.33
	26,025,106.84	15,283,868.88
III. Cash in hand, bank balances	1,105,206.73	379,697.82
	29,066,155.75	16,788,970.84
C. PREPAID EXPENSES	501,543.74	351,436.80
	38,971,050.04	24,006,503.40
LIABILITIES		
	06/30/2018	06/30/2017
	EUR	EUR
A. EQUITY		
I. Drawn capital	52,474.00	52,474.00
II. Capital reserve	13,267,910.15	13,267,910.15
III. Profit carried forward	719,378.32	1,366,929.42
IV. Annual deficit	-29,856.77	-647,553.10
	14,009,903.70	14,039,760.47
B. PROVISIONS		
1. Tax provisions	238,450.00	0.00
2. Other provisions	2,727,592.25	1,989,487.75
	2,968,042.25	1,989,487.75
C. LIABILITIES		
1. Venture capital	0.00	1,000,000.00
2. Liabilities to credit institutions	0.00	3,518,612.19
3. Advance payments received on order	622,466.10	1,140,242.00
4. Trade payables	1,258,053.41	881,516.02
5. Liabilities to affiliated companies	19,819,313.57	480,320.67
6. Other Liabilities	295,271.01	497,158.30
- of which from taxes EUR 278,300.45 (previous year: EUR 471,903.02)		
- of which in the context of social security EUR 12,091.69 (previous year: EUR 16,975.99)		
	21,995,104.09	7,517,849.18
D. PASSIVE DEFERRED TAXES	0.00	459,406.00
	38,971,050.04	24,006,503.40

PROFIT AND LOSS ACCOUNT FOR FISCAL YEAR 2017/18

	2017/18	2016/17
	EUR	EUR
1. Sales	34,243,659.44	24,179,342.11
2. Increase (previous year: decrease) in work in progress	810,438.04	-353,125.66
3. Other own work capitalized	1,530,745.00	1,104,481.00
4. Other operating income		
- of which from currency conversion: EUR 57,912.93 (previous year: EUR 12,831.01)	1,345,993.43	710,465.54
5. Overall performance	37,930,835.91	25,641,162.99
6. Cost of materials	-8,765,013.70	-3,474,463.54
7. Personnel expenses		
a) Wages and salaries	-14,932,389.75	-12,714,964.46
b) Social security and pension expenses		
- of which for pensions: EUR 14,497.15 (previous year: EUR 12,943.32)	-2,594,558.92	-2,243,230.48
	-26,291,962.37	-18,432,658.48
8. Depreciation on intangible assets and property, plant and equipment	-1,361,695.37	-1,010,326.02
9. Other operating expenses		
- of which from currency conversion: EUR 50,392.97 (previous year: EUR 19,177.80)	-10,431,643.72	-6,943,191.37
10. Operating profit (EBIT)	-154,465.55	-745,012.88
11. Other Interest and Similar Income		
- of which from affiliated companies: EUR 336,428.18 (previous year: EUR 71,960.13)	347,595.18	71,960.13
12. Interest and Similar Expenses		
- of which to affiliated companies EUR 8,693.74 (previous year: EUR 0.00)	-529,714.53	-170,141.68
13. Income taxes		
- of which income from deferred taxes: EUR 459,406.00 (previous year: EUR 237,030.00)	312,510.13	201,856.00
14. Profit after tax	-24,074.77	-641,338.43

	2017/18	2016/17
	EUR	EUR
15. Other taxes	-5,782.00	-6,214.67
16. Annual deficit	-29,856.77	-647,553.10

APPENDIX AS OF JUNE 30, 2018

OF MACKEVISION MEDIEN DESIGN GMBH, STUTTGART

1. GENERAL INFORMATION

MACKEVISION MEDIEN DESIGN GMBH, based in Stuttgart (hereinafter "Company") is entered in the commercial register at the Stuttgart District Court under number HRB 243 735. The company's registered office is in Stuttgart, Forststrasse 7. July to June 30. The duration of the company is unlimited. By resolution of the shareholders' meeting on July 20, 2018, the financial year was changed to the period from September 1 to August 31. The period from July 1 to August 31, 2018. August 2018 is therefore a short fiscal year.

The fiscal year was changed to match the fiscal year of the new shareholder, Accenture Holding GmbH & Co. KG, Kronberg (Taunus). With effect from February 16, 2018, all shares in the company were sold to the new shareholder. There were no changes in the valuation or accounting in connection with the change of shareholder. In connection with the change of shareholder, the following transactions were carried out:

- Borrowing from Accenture Finance Ltd., Dublin, Ireland, i. H. v. T € 16,316 and redemption of all bank liabilities existing at the time of the change of shareholder (T € 7,401) as well as the silent participations (T € 1,000) incurring early repayment penalties i. H. v. EUR 366 thousand.
- Passing on of the expenses incurred as part of a performance commission in connection with the transaction (mainly consulting services) i. H. v. T € 2,463 to the former shareholders. As of June 30, 2018, receivables i. H. v. T € 2,696 are reported, which have since been offset against liabilities to Accenture Finance Ltd. were balanced. Because the company acts in its own name for the account of a third party (service commission), the expenses for the transaction (€ 2,463,000) are offset against the income from the onward debit (€ 2,463,000) in the income statement.
- Sale of all name and trademark rights as well as self-developed software as of June 30, 2018 at a price of USD 9.6 million (corresponding to: EUR 8.2 million) to Accenture Global Solutions Ltd. The sales proceeds are included in the sales revenue, the corresponding expenses i. H. v. EUR 3,930 reported under cost of materials.

The present annual financial statements were prepared in accordance with §§ 242 ff. And §§ 264 ff. HGB as well as the relevant provisions of the GmbHG. The regulations for medium-sized corporations apply. Size-dependent relief in accordance with Section 288 (2) of the German Commercial Code (HGB) was fully utilized.

The income statement has been prepared using the total cost method.

2. ACCOUNTING AND VALUATION METHODS

The following accounting and valuation methods were essentially unchanged for the preparation of the annual financial statements:

CAPITAL ASSETS

Purchased and internally generated intangible assets as well as tangible assets are carried at acquisition or production cost and, if they are subject to wear and tear, reduced by scheduled depreciation. The production costs of internally generated intangible assets include not only the individual costs but also a proportion of overheads. Unscheduled depreciation to the lower fair value on the balance sheet date is carried out if it is a permanent decrease in value.

Intangible assets are generally amortized on a straight-line basis over an estimated useful life of 3 to 8 years. Property, plant and equipment are depreciated using the straight-line method based on their expected useful life.

Low-value assets with acquisition costs of more than € 150.00 net but a maximum of € 410.00 (up to 2017) or € 800 (from 2018) net have been fully written off in the year of acquisition; their immediate departure was assumed. Assets with acquisition costs of up to € 150.00 are recognized as an expense when they are acquired.

The goodwill was last amortized on a straight-line basis over a period of 15 years in the 2014/15 financial year.

In the case of financial assets, the share rights are shown at the cost of acquisition. Loans are valued at face value or lower fair value. Extraordinary depreciation takes place in the event of an expected permanent decrease in value.

STOCKS

The work in progress is valued based on the acquisition or production costs according to the strict lower value principle. They are applied to production costs on the basis of individual calculations which, in addition to direct material and personnel costs, include material and production overheads as well as depreciation to a reasonable extent. General administration costs were capitalized in accordance with Section 255, Paragraph 2, Clause 3 of the German Commercial Code.

All identifiable risks associated with work in progress are taken into account by means of devaluations.

RECEIVABLES AND OTHER ASSETS

Receivables and other assets are shown at their nominal value or the lower applicable value on the balance sheet date. Identifiable individual risks are taken into account by means of individual value adjustments. No general bad debt allowance is made for the general, negligible credit risk.

CASH AND BANK BALANCES

Cash in hand and bank balances are shown at their nominal value.

ACTIVE ACCRUED INCOME

Expenses before the balance sheet date are shown as prepaid expenses insofar as they represent expenses for a certain time after this day.

TAX LATENCIES

To determine deferred taxes based on temporary or quasi-permanent differences between the commercial law valuations of assets, debts and deferred income and their tax values, the amounts of the resulting tax burdens and tax reliefs are valued at the company-specific tax rate at the time the differences are reduced and not discounted. Active and passive tax deferrals are offset as far as possible.

ACCRUALS

The other provisions take into account all uncertain liabilities and impending losses from pending transactions. They are set in the amount of the settlement amount necessary according to reasonable commercial participation.

LIABILITIES

The liabilities are carried at the settlement amount.

CURRENCY CONVERSION BASICS

Assets and liabilities denominated in foreign currencies were generally converted using the mean spot exchange rate on the reporting date. In the case of a remaining term of more than one year, the realization principle (S 252 Paragraph 1 No. 4 Clause 2 HGB) and the acquisition cost principle (S 253 Paragraph 1 Sentence 1 HGB) were

observed.

The currency conversion notes mentioned in the notes contain both realized and unrealized exchange rate differences.

3. NOTES TO THE BALANCE SHEET

3.1. CAPITAL ASSETS

The development of the individual items of fixed assets during the 2017/18 financial year is shown in the appendix to the notes. Development costs for internally generated intangible assets were initially capitalized in the amount of € 1,531 thousand (previous year: € 1,104 thousand). As of June 1, 2018, the internally developed software and corresponding advance payments with a residual book value of € 3,511 thousand in total were reclassified to current assets due to an existing intention to sell and sold on June 30, 2018. Overall, development costs of T € 2,761 (previous year: T € 1,676) were incurred in the year under review.

In the 2017/18 financial year, another company based in Japan was founded to develop the local market (share capital: kJPY 100).

Due to the positive business development, the shares in Mackevision UK Limited, London / Great Britain, were written up in the amount of T € 870.

SHAREHOLDINGS

in thousands	proportion of in %	Reporting currency	Equity June 30, 2018	Annual result 2017/18
			TLW	TLW
Mackevision Medien Design GmbH Munich, Munich	100	EUR	832	87
Mackevision Medien Design GmbH Hamburg, Hamburg	100	EUR	364	29
GoodFilm GmbH, Stuttgart	100	EUR	226	18th
Mackevision UK Limited, London / Great Britain	100	GBP	-1,686	359
Mackevision Corporation, Troy / Michigan / USA	100	USD	5,790	199
Mackevision Korea Ltd., Seoul / South Korea	100	KRW	-4,844,415	-2,373,887
Mackevision Singapore Pte. Ltd., Singapore	100	EUR	1,455	-132
Mackevision CG Technologies and Services (Shanghai) Co., Ltd., China ¹⁾	100	RMB	-7,381	1,126
Mackevision Japan KK. Tokyo. Japan	100	JPY	-1,434	-11,434

¹⁾ This is a participation by Mackevision Singapore Pte. Ltd., Singapore.

3.2. RECEIVABLES AND OTHER ASSETS

The receivables from affiliated companies include both trade receivables and short-term loan receivables and are composed as follows:

in EUR thousand	06/30/2018	06/30/2017
Receivables from affiliated companies		
Company of the subgroup Mackevision		
Requests from deliveries and services	8,393	7,925
Short term loan claims	4,875	3,675
Other assets	116	290
	13,384	11,890
Receivables from affiliated companies		
other companies of the Accenture Group		
Requests from deliveries and services	8,235	0
	8,235	0
Total	21,619	11,890

As in the previous year, the remaining terms of the receivables and other assets are less than one year.

3.1 ACCRUED INCOME AND ACCRUED INCOME

The prepaid expenses include a loss of € 0 thousand (previous year: € 2 thousand) for a loan taken out.

3.4. OTHER PROVISIONS

The other provisions essentially consist of provisions for personnel-related matters amounting to € 1,150 thousand (previous year: € 1,391 thousand), provisions for outstanding invoices amounting to € 894 thousand (previous year: € 598 thousand) and a provision for the Acquisition of the remaining shares in GoodFilm GmbH (earn-out) i. H. v. T € 600 together.

3.5. LIABILITIES

The liabilities to affiliated companies are made up as follows:

in EUR thousand	06/30/2018	06/30/2017
Liabilities to affiliated companies		
Mackevision subgroup		
liabilities from goods and services	494	480
Other liabilities	2,000	0
	2,494	480
Liabilities to affiliated companies		
other companies of the Accenture Group		
short term loan liabilities	17,325	0
	17,325	0
Total	19,819	480

Of the liabilities, € 0 thousand (previous year: € 1,496 thousand) have a remaining term of more than one year and less than five years. All other liabilities are due within one year.

The other liabilities i. H. v. T € 2,000 relate to liabilities from the allocation to the capital reserve according to the resolution of the shareholders' meeting on June 29, 2018 at MACKEVISION MEDIEN DESIGN GmbH MUNICH.

DEFERRED TAXES

In contrast to the previous year, there were no deferred tax assets on loss carryforwards as of June 30, 2018 (previous year: € 382 thousand). The previous year's amount was offset against deferred tax liabilities on internally generated intangible assets in the amount of T € 842 and reported as a net amount. As of June 30, 2018, there are no more deferred tax liabilities due to the sale of the internally developed software.

4. EXPLANATIONS ON THE PROFIT AND LOSS ACCOUNT SALES REVENUE

The sales revenues according to areas of activity and geographically determined characteristics can be broken down as follows:

in EUR thousand	2017/2018	2016/2017
Sales by area of activity		
Construction	22,678	19,664
Licenses	8,431	703
Services	2,979	3,812
Other	155	0
Total	34,243	24,179
Sales by geographic market		
inland	19,561	19,261
EU	10,722	2,205
Not EU	3,960	2,713
Total	34,243	24,179

The amount of T € 8,431 includes i. H. v. T € 8,207 income from the sale of intellectual property to Accenture Global Solutions Ltd., Dublin, Ireland.

4.2. OTHER COMPANY INCOME

The other operating income includes T € 159 (previous year: T € 472) out-of-period income from the release of provisions and value adjustments on receivables.

4.3. MATERIAL CONSUMPTION

The cost of materials of T € 8,765 (previous year: T € 3,474) includes expenses in the reporting year. H. v. T € 3,930 in connection with the sale of intellectual property. The other expenses in the reporting period as in the previous year relate exclusively to expenses for purchased services.

4.4. OTHER OPERATING EXPENSES

The other operating expenses essentially include expenses for rent and leasing in the amount of T € 2,616 (previous year: T € 2,008), legal and consulting services in the amount of T € 302 (previous year: T € 780), freelance workers in the amount of T € 302 € 793 (previous year: € 760 thousand), IT expenses of € 827 thousand (previous year: € 720 thousand), affiliated companies of € 891 thousand (previous year: € 358 thousand) and software licenses of € thousand 351 (previous year: T € 220).

5. ADDITIONAL NOTES TO THE ANNUAL FINANCIAL STATEMENTS

5.1. CONTINGENT LIABILITIES

The company has undertaken to resolve any liquidity bottlenecks or shortfalls in equity of the affiliated companies Mackevision Medien Design GmbH Hamburg, Mackevision UK Limited, London, Great Britain, Mackevision Korea Ltd., Seoul, South Korea and Mackevision CG Technologies and Services (Shanghai) Co., Ltd. To eliminate or compensate for China. The risk of a claim is classified as low due to the expected positive development of the asset, financial and earnings position of these companies.

5.2. OFF-BALANCE SHEETS

As of June 30, 2018, there were operating leases for vehicles and IT in the amount of € 567 thousand (previous year: € 930 thousand). The leasing contracts end in the next three financial years. The purpose is to optimize the level of liquid funds (lower capital commitment). Furthermore, all risks remain with the lessor. The lower capital commitment also has an advantageous effect here.

5.3. OTHER FINANCIAL OBLIGATIONS

In addition to the contingent liabilities and off-balance sheet transactions, there are other financial obligations amounting to € 1,535 thousand (previous year: € 3,618 thousand), which essentially relate to a rental agreement that initially runs until June 2019 and long-term contracts with a supplier that have a term of up to December 2020.

The order commitment as of June 30, 2018 for investments does not go beyond the usual scope of the company.

5.4. DOING BUSINESS WITH RELATIVES

In the 2015/16 financial year, an interest-free loan in the amount of T € 60 was granted to a member of the Advisory Board. The loan is related to an option agreement between the company and the advisory board member. The company exercised its option on December 31, 2017.

Financing through companies of the Accenture group

Since February 16, 2018, the company has been financed by a sister company, Accenture Finance Ltd., Dublin, Ireland. As of June 30, 2018, the loan liabilities amounted to EUR 17.3 million, with an interest rate of 0.15% pa.

Sale of intellectual property

As of June 30, 2018, the company sold all name and trademark rights as well as self-developed software to Accenture Global Solutions Ltd., Dublin, Ireland, at a price of USD 9.6 million (corresponding to EUR 8.2 million). The sales proceeds include expenses i. H. v. EUR 3.9 million compared to.

No transactions were carried out with related companies or persons on conditions that are not customary in the market.

5.5. DISTRIBUTION BARRIER

As of June 30, 2018, there was no amount that is subject to a distribution block in accordance with Section 268 (8) HGB; the previous year's amount was T € 2,297.

5.6. PROPOSAL USE OF RESULT

For the 2017/18 financial year, the management proposes to offset the annual deficit of T € 30 against the profit carried forward of T € 719 and to carry forward the resulting amount of T € 689 to a new account.

5.7. SUBSEQUENT EVENTS

As a result of the desired standardization of the accounting processes, the fiscal year will be adjusted to the period from September to August at all Group units. This results in a short fiscal year for the company from July 1 to August 31, 2018.

6. OTHER INFORMATION

ADVISORY BOARD

In the 2017/18 financial year, the following people were members of the Advisory Board until February 15, 2018:

- Dr. Tilman Schad, Dr.-Ing. Communications engineering, chairman of the advisory board

- Mr. Sander van Vreumingen, Master of Science
- Mr. Roland Steinlein, Dipl.-Kfm., Tax advisor
- Mr. Andreas Trautmann, Dipl.-Kfm.
- Mr. Benoit Raillard, Master of Business Administration

As of February 16, 2018, the company no longer has an advisory board.

6.2. MANAGING DIRECTORS

- Armin Pohl, Altdorf, CEO, Sales and Marketing
- Joachim Lincke, Stuttgart, CCO, Production
- Jens Pohl, Ostfildern, COO, IT, HR, finance, law
- Axel Schmidt, Stuttgart, Managing Director of Accenture GmbH, Kronberg, Products Global Automotive Lead, from February 19, 2018

6.3. TOTAL REMUNERATION OF THE MANAGEMENT

For the 2017/18 financial year, the total remuneration of the managing directors amounted to € 463 thousand (previous year: € 873 thousand). From March 1, 2018, all managing directors will only be members of the company without a corresponding managing director employment contract. There is an employment relationship with Accenture GmbH, Kronberg, which charges the company with a corresponding contribution.

6.4. TOTAL REMUNERATION OF THE ADVISORY BOARD

For the 2017/18 financial year, the total remuneration of the members of the Advisory Board was € 38 thousand (previous year: € 75 thousand).

6.5. EMPLOYEE

The average number of employees developed as follows.

Annual average employees	2017/18	2016/17
employee	234	217
trainee	27	17th

6.6. GROUP AFFILIATION AND AUDITOR'S FEE

MACKEVISION MEDIEN DESIGN GmbH, Stuttgart is preparing the consolidated financial statements for the smallest group of companies as of June 30, 2018. The consolidated financial statements of MACKEVISION MEDIEN DESIGN GmbH are published in the electronic Federal Gazette and can be viewed at the company's headquarters in Stuttgart.

In addition, the companies of the MACKEVISION Group will be included for the first time in the consolidated financial statements of Accenture plc., Dublin, Ireland, as of August 31, 2018, which will then prepare the consolidated financial statements for the largest group. Accenture plc. is listed on the New York Stock Exchange, USA.

Stuttgart, February 19, 2019

Armin Pohl
Joachim Lincke
Jens Pohl
Axel Schmidt

DEVELOPMENT OF FIXED ASSETS FOR FISCAL YEAR 2017/18

	1.7.2017 EUR	Accesses EUR	acquisition cost		Reclassifications EUR	June 30, 2018 EUR
			Departures EUR			
I. INTANGIBLE ASSETS						
1. Self-developed software	3,256,562.21	417,437.00	0.00		-3,673,999.21	0.00
2. Purchased software	974,907.40	210,179.58	-105,591.29		-14,356.50	1,065,139.19
3. Goodwill	63,911.48	0.00	-63,911.48		0.00	0.00
4. Advance payments made	243,620.00	1,115,518.90	0.00		-1,359,138.90	0.00
	4,539,001.09	1,743,135.48	-169,502.77		-5,047,494.61	1,065,139.19
II. PROPERTY, PLANT AND EQUIPMENT						
1. Technical systems and machines	58,725.42	0.00	0.00		0.00	58,725.42
2. Factory and office equipment	927,090.14	784,651.58	-193,395.99		0.00	1,518,345.73
	985,815.56	784,651.58	-193,395.99		0.00	1,577,071.15
III. FINANCIAL ASSETS						
1. Shares in affiliated companies	3,222,552.65	3,140,769.73	0.00		0.00	6,363,322.38
2. Loans to affiliated companies	0.00	0.00	0.00		1,799,875.98	1,799,875.98
	3,222,552.65	3,140,769.73	0.00		1,799,875.98	8,163,198.36
	8,747,369.30	5,668,556.79	-362,898.76		-3,247,618.69	10,805,408.70
Depreciation						
	1.7.2017 EUR	Accesses EUR	Departures EUR	Attributions EUR	Reclassifications EUR	June 30, 2018 EUR
I. INTANGIBLE ASSETS						
1. Self-developed software	743,404.91	779,110.72	0.00	0.00	-1,522,515.63	0.00
2. Purchased software	419,652.03	246,178.21	-82,397.79	0.00	0.00	583,432.45
3. Goodwill	63,910.98	0.00	-63,910.98	0.00	0.00	0.00
4. Advance payments made	0.00	0.00	0.00	0.00	0.00	0.00
	1,226,967.92	1,025,288.93	-146,308.77	0.00	-1,522,515.63	583,432.45

	Depreciation					June 30, 2018 EUR
	1.7.2017 EUR	Accesses EUR	Departures EUR	Attributions EUR	Reclassifications EUR	
II. PROPERTY, PLANT AND EQUIPMENT						
1. Technical systems and machines	57,713.42	713.65	0.00	0.00	0.00	58,427.07
2. Factory and office equipment	596,592.20	335,692.79	-172,086.36	0.00	0.00	760,198.63
	654,305.62	336,406.44	-172,086.36	0.00	0.00	818,625.70
III. FINANCIAL ASSETS						
1. Shares in affiliated companies	0.00	0.00	0.00	0.00	0.00	0.00
2. Loans to affiliated companies	0.00	0.00	0.00	-870,000.00	870,000.00	0.00
	0.00	0.00	0.00	-870,000.00	870,000.00	0.00
	1,881,273.54	1,361,695.37	-318,995.13	-870,000.00	-652,515.63	1,402,058.15
					Residual book value	
					June 30, 2018	June 30, 2017
					EUR	EUR
I. INTANGIBLE ASSETS						
1. Self-developed software				0.00		2,513,157.30
2. Purchased software				481,706.74		555,255.37
3. Goodwill				0.00		0.50
4. Advance payments made				0.00		243,620.00
				481,706.74		3,312,033.17
II. PROPERTY, PLANT AND EQUIPMENT						
1. Technical systems and machines				298.35		1,012.00
2. Factory and office equipment				758,147.10		330,497.94
				758,445.45		331,509.94
III. FINANCIAL ASSETS						
1. Shares in affiliated companies				6,363,322.38		3,222,552.65
2. Loans to affiliated companies				1,799,875.98		0.00
				8,163,198.36		3,222,552.65
				9,403,350.55		6,866,095.76

COMBINED MANAGEMENT REPORT AND GROUP MANAGEMENT REPORT FOR FISCAL YEAR 2017/18

OF MACKEVISION MEDIEN DESIGN GMBH, STUTTGART

1. GENERAL

The following management report is the combined management report and group management report of MACKEVISION MEDIEN DESIGN GMBH based in Stuttgart (hereinafter "Company", "MACKEVISION Stuttgart" or "MACKEVISION") for the 2017/18 financial year from July 1, 2017 to June 30 2018. It shows the development of the assets, financial and earnings position of the MACKEVISION Group (hereinafter "Group" or "Group") and the company in the 2017/18 financial year and relates to the expected future development of the business as well as significant risks and Opportunities for development. Unless explicit reference is made to the company, the statements relate to the group.

The 2017/18 consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS) as they are to be applied in the EU and the additional commercial law provisions to be applied in accordance with Section 315e (1) of the German Commercial Code (HGB). The 2017/18 annual financial statements of the company were prepared in accordance with German commercial law accounting regulations.

MACKEVISION Stuttgart was part of the GIMV Group, Antwerp, Belgium, from November 27, 2014 to February 15, 2018. GIMV NV held 49.6% of the shares, Adviersbeheer GIMV Smart Industries 2013 held a further 7.1% in MACKEVISION Stuttgart. MACKEVISION was not included in the consolidated financial statements of GIMV NV because GIMV NV does not have a controlling influence on MACKEVISION.

Since February 16, 2018, the company has been a shareholding of Accenture Holding GmbH & Ko KG based in Kronberg and is controlled according to the 100% shareholding.

As a result of the desired standardization of the accounting processes, the fiscal year will be adjusted to the period from September to August at all Group units. This results in a short fiscal year for the company from July 1 to August 31, 2018.

In addition, it was decided to merge the companies in Munich and Hamburg, with economic effect from July 1, 2018, into Mackevision Medien Design GmbH, based in Stuttgart.

2. GROUP BASICS

2.1. BUSINESS MODEL

MACKEVISION is one of the world market leaders for Computer Generated Imagery (CGI). This includes the areas of data-supported 3D visualization, animation and visual effects. The company designs and produces image and film material as well as interactive applications in high-end quality, develops technology solutions for image generation and accompanies the entire CGI process from data preparation and creative design to the end product.

The international team supports large corporations, medium-sized companies and their agencies. MACKEVISION was founded in 1994, today more than 500 employees work at the headquarters in Stuttgart as well as at the locations in Europe, Asia and the USA. In addition to the headquarters in Stuttgart, it has branches in Munich, Hamburg, Birmingham, Detroit, Singapore, Beijing, Shanghai, Tokyo and Seoul. MACKEVISION is also represented with offices in Florence, New York and Los Angeles.

2.2. RESEARCH AND DEVELOPMENT

Research and development activities focused primarily on the areas of CGI and configuration solutions. In total, research and development costs of € 1,230 thousand (previous year: € 1,676 thousand) were incurred in the group in the 2017/18 financial year, which MACKEVISION Stuttgart mainly used for the activation of self-developed software. The decline in development costs and the capitalization rate is mainly due to the completion of key projects in the course of the 2017/18 financial year.

At the end of the financial year, the self-developed software was sold to a subsidiary of the Accenture Group. In the future, this means that the expenses for research and development will be charged to the new owner in the following financial years.

3. ECONOMIC REPORT

3.1. MACROECONOMIC AND SECTOR-RELATED FRAMEWORK CONDITIONS

The economic development (source: Federal Statistical Office - www.destatis.de) in Germany was positive in the 2017/18 financial year. In the comparable period from July 2017 to June 2018, gross domestic product grew by 2.21% (previous year: 1.29%). The inflation rate was 1.9% (previous year: 1.8%).

The automotive and film and advertising industries that are relevant to the MACKEVISION Group have developed positively in Germany as well as in Asia and the USA. The competitive environment remains intense due to both new competitors and increased customer requirements.

3.2 BUSINESS DEVELOPMENT OF THE GROUP

Group sales increased in the 2017/18 financial year. On the one hand, this is due to the fact that sales in the area of system solutions grew disproportionately and, on the other hand, additional foreign customer relationships were further expanded. In geographical terms, the growth in sales totaled 20.4% from Germany, China and Great Britain. The growth was therefore in line with our expectations. However, the sale of the trademarks and property rights to the new owner was reflected in sales as a one-off effect (+ € 8,206 thousand).

The Group's annual result deteriorated by T € 3,343 to T € -1,392 (previous year: T € 1,951) in the 2017/18 financial year. This is due to increased expansion costs to ensure the ability to deliver at all locations, acquisition costs for new customers, as well as one-off effects in the form of financial incentive systems for employees that are customary in the market in the context of a change of ownership.

While processes and structures as well as product development were in the foreground in previous years, the focus in financial year 2017/18 was on profitable business expansion. Despite initial expenses in this area, considerable increases in sales have already been recorded.

An important milestone in the business expansion was the establishment of a branch in Japan, which enables the group to have a local market presence in the important market of Asian automobile manufacturers.

The change of ownership is associated with plans to expand into market segments outside of the core automotive business. In addition to access to a broader clientele of well-known large companies, Mackevision participates in important specialist knowledge and skills in consulting, project management and information technology, as well as in access to affordable capital for the Mackevision Group.

The business development of the group is assessed as positive by the management.

3.3 FINANCIAL PERFORMANCE INDICATORS

The companies of the group are controlled via the performance indicators sales revenue or sales growth and EBITDA. EBITDA is calculated from the result of operating activities plus the financial result and depreciation.

3.4. PRESENTATION OF THE ASSET, FINANCIAL AND EARNINGS SITUATION IN THE GROUP

3.4.1. NET ASSETS IN THE GROUP (IFRS)

	June 30, 2018	June 30, 2017	change	
	in T €	in T €	in T €	in %
Intangible assets	798	3,454	-2,656	-332.8%
Property, plant and equipment	5,107	5,234	-127	-2.5%
Other financial assets	155	116	39	25.2%
Deferred tax claims	519	512	7th	1.3%
Long-term assets	6,579	9,316	-2,737	-41.6%
Requests from deliveries and services	21,989	13,558	8,431	38.3%
Other financial assets	2,888	387	2,501	86.6%
Other assets and prepayments	1,423	842	581	40.8%
Tax Refund Claims	361	266	95	26.3%
Means of payment	4,533	3,418	1,115	24.6%
Short-term assets	31,194	18,471	12,723	40.8%
BALANCE SHEET TOTAL	37,773	27,787	9,986	26.4%

As of June 30, 2018, the balance sheet total was T € 37,773, which is T € 9,986 higher than in the previous year. The increase is mainly due to the sharp rise in trade receivables (+ € 8,431 thousand). In addition to the outstanding payments for sales amounting to T € 16,186 (previous year: T € 11,073), this balance sheet item also includes receivables from production orders (POC receivables) amounting to T € 5,802 (previous year: T € 2,485).

The reduction in intangible assets is explained by a decision to sell the intellectual properties (IP) and trademark rights or property rights to a company in the group of the new owner in the context of the group integration in order to comply with a bundling and harmonization of the terms of use within the Accenture Group. The corresponding assets and rights were valued at 9.6 million US dollars and were sold accordingly on June 30, 2018. The sales proceeds will be offset against the existing loan when the purchase price is due. The development of property, plant and equipment (- € 127), which essentially consists of IT equipment, also has the opposite effect. In view of the comparatively low level of investment, the book value of property, plant and equipment is reduced by scheduled depreciation. Investments were mainly made in hardware and software.

The item of current other financial assets increased by T € 2,501 compared to the previous year, as receivables from the owners still existed on the balance sheet date that were settled after the balance sheet date.

Finally, the reported deferred tax assets increased by T € 7 to T € 519.

3.4.2. FINANCIAL POSITION IN THE GROUP (IFRS)

	June 30, 2018	June 30, 2017	change	
	in T €	in T €	in T €	in %
IFRS				
Equity of the owners of the parent company	7,609	10,028	-2,419	-31.8%
Non-controlling interests	0	102	-102	n / a
equity capital	7,609	10,130	-2,521	-33.1%
Other financial liabilities	7,718	2,961	4,757	61.6%
Other liabilities	451	479	-28	-6.2%
Deferred tax liabilities	410	832	-422	-102.9%
Long term debt	8,579	4,272	4,307	50.2%
Tax debts	240	442	-202	-84.2%

	June 30, 2018		June 30, 2017		change	
	in T €	in %	in T €	in %	in T €	in %
IFRS						
Other financial liabilities	12,091		4,290		7,801	64.5%
liabilities from goods and services	4,315		4,169		146	3.4%
Other liabilities	4,832		4,484		348	7.2%
accruals	107		0		107	100.0%
Short term debt	21,585		13,385		8,200	38.0%
Total liabilities	30,164		17,657		12,507	41.5%
BALANCE SHEET TOTAL	37,773		27,787		9,986	26.4%

As of June 30, 2018, the Group's equity decreased by T € 2,521 to a value of T € 7,609 as a result of the consolidated net income generated in the 2017/18 reporting year. Due to the increase in total assets by T € 9,986 to T € 37,773, the equity ratio fell by 16.4 percentage points from 36.5% on June 30, 2017 to 20.1% on June 30, 2018.

The liabilities side of the consolidated balance sheet with total assets of T € 37,773 is characterized by the equity (T € 7,609) and the financial liabilities to the parent company Accenture (T € 17,652).

The short-term trade payables consist of payables to suppliers (T € 2,453) and liabilities from production orders (T € 1,862) for which advance payments received (T € 4,422) exceed the manufacturing costs including profit shares (T € 2,560).

The other liabilities include short-term provisions / accruals for the 2017/18 financial year, which mainly relate to personnel-related issues (€ 2,547 thousand) and provisions for outstanding invoices from suppliers (€ 1,475 thousand).

3.4.3. EARNINGS SITUATION IN THE GROUP (IFRS)

	2017/18		2016/17		change	
	in T €	in %	in T €	in %	in T €	in %
Germany	38,177	58.0%	28,534	52.2%	9,644	25.3%
UK	2,371	3.6%	188	0.3%	2,184	92.1%
United States	17,356	26.4%	18,543	33.9%	-1,188	-6.8%
South Korea	3,415	5.2%	4,462	8.2%	-1,047	-30.7%
China	4,543	6.9%	2,976	5.4%	1,567	34.5%
Sales	65,862	100.0%	54,702	100.0%	11,160	16.9%

Consolidated sales in the 2017/18 financial year increased by T € 11,160 to T € 65,862. The increase was in line with budgeted expectations and was mainly achieved through the expansion of business activities in Germany. The sale of trademarks and property rights to Accenture contributed to the increase in sales in Germany as a one-off effect of € 8,206 thousand.

The gross profit on sales (sales revenue less cost of sales) was € 21,542 thousand in absolute terms, slightly above the level of the previous year (€ 20,961 thousand). Personnel expenses in the production area grew somewhat less in relation to sales growth, which essentially led to an improvement in the gross profit. Compared to the previous year, the number of salaried employees and trainees increased by an average of 70 employees, which means that total personnel expenses increased significantly by € 5,844 thousand to € 38,627 thousand in the 2017/18 financial year.

The EBITDA in the amount of T € 3,376 (previous year: T € 6,744) decreased in the 2017/18 financial year because the costs for business expansion and one-off payments as well as salary incentive systems came into effect as part of the change of ownership.

3.4.4. OVERALL STATEMENT ON THE ASSET, FINANCIAL AND EARNINGS SITUATION IN THE GROUP

Overall, we rate the earnings situation in the group as of June 30, 2018, taking into account the special effects in connection with the change of ownership, as positive. The MACKEVISION Group was able to increase its operating sales by around € 3 million in the past financial year, but the result could not be maintained at the previous year's level for the reasons already explained. The internationalization was further expanded, various structural measures and a stronger focus on profitable growth as well as the opening up of new markets showed their effects.

We continue to rate the asset and financial position of the MACKEVISION Group as positive, especially with regard to the change of ownership.

3.5. PRESENTATION OF THE ASSET, FINANCIAL AND EARNINGS SITUATION IN MACKEVISION MEDIEN DESIGN GMBH

3.5.1. ASSET POSITION OF THE COMPANY (HGB)

	June 30, 2018		June 30, 2017		change	
	in T €	in %	in T €	in %	in T €	in %
trade balance						
Tangible and intangible assets	1,240	3.2%	3,644	15.2%	-2,404	-16.0%
Financial assets	8,163	20.9%	3,223	13.4%	4,940	32.9%
unfinished tasks	1,936	5.0%	1,125	4.7%	811	5.4%
Receivables and other assets	26,057	66.8%	15,284	63.7%	10,773	71.8%
Means of payment	1,105	2.8%	380	1.6%	725	4.8%
Other assets	502	1.3%	351	1.5%	151	1.0%
assets	39,003	100.0%	24,007	100.0%	14,996	100.0%

As of June 30, 2018, the balance sheet total was T € 38,971, which is T € 14,964 higher than in the previous year. The change in receivables and other assets in the amount of T € 10,741 includes the sale of the IP rights to the new owner Accenture in the amount of T € 8,206. In addition, the increase is attributable to the expansion of business. The balance sheet item financial assets reflects the capital increase at Mackevision Medien Design GmbH Munich (€ 2.0 million), the acquisition of Goodfilm GmbH (€ 1.0 million) and the reclassification of a long-term loan to Mackevision UK Limited, London of € 1.9 million from current assets to financial assets.

The work in progress valued at production costs as of June 30, 2018 increased by € 811 thousand compared to the previous year.

The decrease in property, plant and equipment and intangible assets is due to the sale of the internally developed software to Accenture. Investments of T € 1,533 had been made prior to the sale. Further investments were mainly made in hardware and software (+ T € 995).

3.5.2. FINANCIAL POSITION OF THE COMPANY (HGB)

	June 30, 2018		June 30, 2017		change	
	in T €	in %	in T €	in %	in T €	in %
trade balance						
equity capital	14,010	35.9%	14,040	58.5%	-30	-0.2%
accruals	2,998	7.7%	1,990	8.3%	1,008	6.7%
liabilities	21,995	56.4%	7,518	31.3%	14,477	96.5%
Other liabilities		0.0%	459	1.9%	-459	-3.1%

	June 30, 2018		June 30, 2017		change	
	in T €	in %	in T €	in %	in T €	in %
trade balance						
liabilities	39.003	100.0%	24.007	100.0%	14,996	100.0%

As of June 30, 2018, the company's equity decreased by T € -30 to a value of T € 14,010 due to the negative annual result in the 2017/18 reporting year. Due to the increase in total assets by T € 14,964 to T € 38,971, the equity ratio fell by 22.6 percentage points from 58.5% on June 30, 2017 to 35.9% on June 30, 2018.

In addition to equity (€ 14,010 thousand), the company's liabilities side is characterized by loan liabilities to the new owner (€ 17,325 thousand), which resulted in the replacement of all short-term and long-term liabilities to banks.

The trade payables consist of payables to suppliers. As of the reporting date, advance payments received decreased by EUR 518 thousand, while trade payables increased by EUR 376 thousand to EUR 1,256 thousand. The other provisions essentially consist of provisions for personnel-related matters amounting to € 1,150 thousand (previous year: € 1,391 thousand) and provisions for outstanding invoices amounting to € 894 thousand (previous year: € 598 thousand).

In the 2017/18 financial year, the company was financed up to February 15, 2018, in addition to the liabilities to banks in the form of fixed-rate loans and venture capital, mainly through the capital reserve, which was created through the payment of a shareholder. The liabilities to banks and the venture capital were prematurely redeemed on the date of the change of ownership and substituted by the Accenture Group's own sources of finance. In this way, Mackevision secures access to much cheaper sources of finance, which can amortize the one-time expense from the premature replacement in a short time.

The liquidity is therefore sufficient to ensure sustainable financing.

3.5.3. EARNINGS SITUATION OF THE COMPANY (HGB)

Sales in the 2017/18 financial year increased by € 10,065 thousand to € 34,244 thousand. Without the effect of the sale of the software developed in-house, the increase was below budgeted expectations and is due, among other things, to the fact that several expected customer orders were not received on time in the 2017/18 financial year and have been postponed to the following financial year. However, other unplanned business relationships with new customers were largely able to compensate for the loss of sales. The sales revenue includes the sale of self-developed software in the amount of T € 8,206.

The income from surcharges passed on to subsidiaries of T € 2,265 included in sales was around T € 622 above the previous year's figures; this increase was largely influenced by a revised IT surcharge, which, in addition to the costs for infrastructure, also includes personnel services and services from third-party providers considered. These essentially relate to charges passed on for management activities, IT infrastructure and charges for employees working for subsidiaries.

The successful structural development of the subsidiaries led to a lower need for disbursements and related charges in the 2017/18 financial year. This is reflected in the development of other operating expenses.

Compared to the previous year, the number of salaried employees and trainees increased by an average of 27 employees, which means that total personnel expenses, taking into account the reclassification effects from costs for freelancers, increased by € 2,569 thousand to € 17,527 thousand in the 2017/18 financial year. Personnel expenses in the production area have risen, while expenses for freelancers have decreased at the same time.

Depreciation on intangible assets and property, plant and equipment increased compared to the previous year in the area of self-made assets (+ € 779 thousand). This is due to the capitalization in the previous year (+ € 1,104 thousand) and in the current financial year (+ € 1,533 thousand).

The other operating expenses amounted to T € 10,432 in the 2017/18 financial year and increased by T € 3,489 compared to the previous year. The increase is due to legal and consulting costs as well as increased expenses for software solutions and leased IT components in the area of virtualization applications, which became necessary due to the increased business volume.

MACKEVISION Stuttgart's EBITDA improved by T € 944 to T € 1,209 in the 2017/18 financial year. The result was positively influenced by the sale of trademarks and property rights, which was partially offset by the increase in other operating expenses.

3.5.4. OVERALL STATEMENT ON THE ASSET, FINANCIAL AND EARNINGS SITUATION OF THE COMPANY

Overall, we assess the company's earnings position as of June 30, 2018, after taking into account the special effects from the change of owner, as positive. In the past fiscal year, the company was able to increase sales and keep earnings in line with expectations, taking into account the sale of the software it had developed in-house to Accenture.

We continue to rate the asset and financial position of MACKEVISION Stuttgart as positive, especially with regard to the change of ownership.

PERSONNEL AND SOCIAL AREAS / EMPLOYEES

In 2017/18, MACKEVISION Stuttgart had an average of 234 employees and 27 trainees. In the previous year there was an average of 217 employees and 17 trainees. The average number of employees in the entire group is 530 employees (previous year: 460).

3.7 DEVELOPMENT OF INVESTMENTS IN THE GROUP

MACKEVISION Medien Design GmbH Munich was able to close with a positive EBITDA of T € 243 (previous year: result of T € 564), which has thus decreased by T € 321 compared to the previous year. This is due to a further reorganization of the geographic customer relationships.

At MACKEVISION Medien Design GmbH Hamburg, there was a slight increase in earnings (EBITDA) from T € 38 to T € 92, despite stagnating sales. This was largely due to good production capacity utilization.

MACKEVISION UK Limited, London, Great Britain, has also significantly improved its EBITDA compared to the previous year by € 577 thousand to € 590 thousand (previous year: € 13 thousand). The reasons for this were the continued positive development in customer relationships and an optimized structure in the provision of services.

The annual result (EBITDA) of MACKEVISION CG Technology and Services, Shanghai, China, amounts to T € 374 (previous year: T € 140). The positive development of the annual result of T € 234 went hand in hand with a sales growth of T € 1,567.

The EBITDA of MACKEVISION Korea Ltd., Seoul, South Korea, amounts to T € -2,073 (previous year: T € -395) and resulted mainly from the costs of setting up production and acquiring customers.

Mackevision Japan KK, which was founded in October 2017 and is based in Tokyo, Japan, initially generated an annual deficit (EBITDA) of T € 85.

Business development in the USA at MACKEVISION Corporation, Troy, USA, remained below expectations. However, the Detroit location was almost able to maintain the previous year's level with local and international customers. The EBITDA amounted to T € 1,391.

MACKEVISION Stuttgart increased its stake in GoodFilm GmbH, Stuttgart, to 100% of the shares on February 15, 2018. The course of business corresponded to expectations and is characterized by structural adjustments in the sales portfolio and ended with a negative EBITDA of T € -105.

We assume that the results of the above-mentioned group companies will improve significantly in the 2018/19 financial year due to contracts concluded with major customers and that our receivables from these companies can be repaid in the medium term. In our opinion, the individual book values of the investments are recoverable overall.

4. OPPORTUNITY AND RISK REPORT

4.1. OPPORTUNITY REPORT

Due to the increased focus of our customers on digital offers and sales activities, the market for CGI solutions will continue to experience high demand for total solutions for data preparation. All in all, we are observing a consolidation of the various technical trends and a further price segmentation of the market into high-quality, medium and low-quality CGI services. MACKEVISION continues to defend its premium positioning, as the group offers a combination of different CGI skills and geographic

reach that can hardly be imitated worldwide. We assume that this demand will continue to grow and that MACKEVISION will benefit from it with its solution expertise and as a system partner.

The competitive situation remains intense and forces constant investments in efficiency and innovations. The MACKEVISION Group can assert itself in this competitive environment through innovations. The development of new markets and the increasing visualization of products represent diverse growth areas in which the demand for image material is increasing rapidly.

The MACKEVISION Group can set itself apart from its competitors in terms of the breadth of its portfolio approach and geographic performance. The diversification strategy also helps to open up new market segments.

The development of additional geographies supports the group in implementing the growth strategy. The experience of the past expansion steps is beneficial here. In October 2017, for example, a subsidiary was founded in Japan in order to target the local market in a more targeted manner.

Together with the new owner Accenture, Mackevision is planning to grow the group of companies through expanded market access, especially among well-known large corporations, in order to satisfy the high demand for computer-generated images by replicating the business model in new industries and thus the range of the Accenture group in to complete its sales portfolio. This growth is also positively influenced by the access to a wide range of property rights and know-how, as well as the possibility of covering peaks in demand via a broad network of specialists.

4.2. RISK REPORT

Economic instability in relation to the world economy and markets:

Changes in the economic environment in the automotive industry pose a risk to sales and earnings. MACKEVISION continues to pursue a medium-term diversification strategy.

Technology, product and marketing risks:

The usual risks of IT companies arise here, such as shortened product life cycles due to changes in demand, which MACKEVISION meets with short-term product innovations in order to be able to react early to changes in the technological environment or to play a decisive role in shaping technological trends itself.

IT security problems:

Protection against unauthorized access to image data represents a high risk. Various IT landscape measures have already been created for this purpose, which meet the current security requirements of the legislature, our customers and the relevant ISO standards.

Employee:

The acquisition of qualified employees is an essential success factor. On the one hand, qualification programs are currently being developed for this purpose. On the other hand, MACKEVISION remains attractive as an employer thanks to the diversification into other industries and thus innovative creative solutions. Highly publicized awards, especially in the VFX area, also increase awareness of the company and give us the opportunity to recruit experienced and young workers in the local units with significantly increased public awareness.

Liquidity risk:

The company's growth results in a permanent need for capitalization and investment. With the replacement of the financing by the Accenture Group and the use of group-internal financing sources that are more favorable than the market conditions, as well as the prospective integration of the companies of the Mackevision group of companies in control relationships and profit transfer agreements with the new owners, all measures should be taken to regularly counteract this risk.

Margin pressure:

The increasing competition in the CGI market results in increased pressure on margins. The film business is characterized by constant price sensitivity, which fluctuates in intensity depending on the competitive situation.

Participations:

In the annual financial statements of MACKEVISION Stuttgart there are risks from the recoverability of the investment book values, the receivables from affiliated companies and from the use of letters of comfort. This risk is reduced through active investment management as well as increasing international cooperation and utilization optimization. Tax risks in the area of participations are significantly restricted by the newly created intercompany guideline and allow these issues to be implemented proactively in the long term.

Integration risks:

The additional effort of integration into the parent company Accenture is compensated by the further development of the business model and the much broader market access.

The past financial years have shown that risks and opportunities that arise can lead to significant negative or positive deviations from the planned asset, earnings and financial targets. The Mackevision Group closed the past 2017/2018 financial year on the opportunities side.

Overall, on the basis of the information available, no risks can be identified that would jeopardize the continued existence of the Mackevision Group or Mackevision Medien Design GmbH. The Group's asset and financial position remains stable. The takeover of the company shares by Accenture in the 2017/2018 financial year represents an important safeguard for the continued existence of the company.

5. FORECAST REPORT

The Group's EBITDA target was not achieved in the past fiscal year. This is mainly due to one-off special influences caused by the change of ownership. Furthermore, orders were accepted in the new business field of virtualization AR / VR (augmented reality / virtual reality), for which risks in the service provision could only be determined generically in advance. These learning curve effects are also to be assessed as non-recurring influences on results. Due to the focus on profitability, customer orders were accepted much more selectively. Despite project postponements, this led to significantly higher group sales.

For both the MACKEVISION Group and MACKEVISION Stuttgart, the management expects that sales will again increase strongly in the 2018/19 financial year. This succeeds with further technical innovations and future-proof investments as well as increased customer penetration. The management expects the EBITDA of the group and of MACKEVISION Stuttgart to grow moderately through further optimization in production and targeted cost management in the cross-sectional areas as well as efficient utilization control in international cooperation.

The growth ambition is based on the assumption that the contracts are concluded directly between the customers and the Mackevision group companies. Should a contract be concluded with the customers and units of the Accenture Group as part of the joint market approach, the entrepreneurial profit will be realized elsewhere in the Accenture Group on the basis of the existing intercompany rules. In order to ensure the necessary economic stability, a profit and loss transfer agreement between the controlling Accenture company and Mackevision Medien Design GmbH will be concluded by April 30, 2019 at the latest.

The mentioned risks are regularly checked for all companies in the MACKEVISION Group and also assessed in terms of risk management. The financial indicators are processed in the monthly forecast cycle. With regard to the overall economic environment, the situation is reflected on weekly in management meetings with all those responsible. Development and marketing risks are countered through proactive innovation management and dedicated account control.

The positive business development and the growth prospects in the environment of the new digitization market have induced Accenture to lead the Mackevision Group to new growth targets through a concrete expansion strategy.

Any IT security risks are countered by investing in high-quality industry solutions. It is particularly positive to mention that the new owners pay special attention to this issue and already have solutions that are market standard.

In order to cope with the targeted growth, a strong focus is placed on the recruitment of experienced and new talents in the CGI industry.

6. CONCLUSION

The successful 2017/18 financial year as well as the overall development of MACKEVISION is the success of its employees. Without the employees bringing their personality and their ideas and competencies into the projects internationally, and this in intensive and unreserved cooperation, MACKEVISION would not be what makes it so successful on the market. This team, our position on the market, the good mood in the economy and our customers make us optimistic about the future.

We would like to thank all MACKEVISION employees for their dedicated and very successful work in the 2017/18 financial year. They are and will remain the essential basis for the development of MACKEVISION in the new 2018/19 financial year and beyond.

Stuttgart, February 19, 2019

Armin Pohl

Joachim Lincke

Jens Pohl

Axel Schmidt

Order conditions, liability and reservation of use

We, Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, have carried out our audit of the present accounting on behalf of the company. In addition to the legal function of disclosure (Section 325 HGB) in the cases of statutory audits, the auditor's report is aimed exclusively at the company and was issued for its internal use without being used for further purposes by third parties or as a basis for decision-making. The results of voluntary audits summarized in the auditor's report are therefore not intended to be the basis for decisions by third parties and are not intended to be used for purposes other than those for which they were intended.

Our work is based on our order confirmation letter for the examination of the present accounting including the "General Terms and Conditions for Auditors and Auditing Firms" in the version published by the Institute of Auditors on January 1, 2017.

To clarify, we point out that we do not assume any responsibility, liability or other obligations towards third parties, unless we have concluded a different written agreement with the third party or such a disclaimer would be ineffective.

We expressly point out that we do not update the auditor's report with regard to events or circumstances occurring after it has been issued, unless there is a legal obligation to do so.

Whoever takes note of the result of our work summarized in the above auditor's report is responsible for deciding whether and in what form they consider this result useful and suitable for their purposes and expand, verify or update it through their own investigations.
