

Ad-hoc notification in accordance with §15 of the Securities Trade Act (WpHG)

Miscellaneous

Fabasoft: signing of contract in award procedure held in the State of Bavaria

Ad-hoc notification through the DGAP (*Deutsche Gesellschaft für Ad-hoc Publizität*).

The issuer is responsible for the content of the notification.

During the award procedure for the 'Procurement and Implementation of a Document Management and Workflow Processing System for Bavarian State Administration,' held in Bavaria and attended by representatives of the Bavarian Interior Ministry of State, the contract with Fabasoft consortium was signed by the Interior Minister of State and deputy Prime Minister of Bavaria Dr. Günther Beckstein.

The scope of the contract for this project will include 970 licences for a standard Document and Records Management product and project-related services, as well as a number of very interesting optional extras, including a state licence for Bavaria.

Due to the particular strategic importance of this project to Fabasoft and its potential for additional contracts, Fabasoft has initiated comprehensive acquisitions and start-up investments. In particular, they have set up infrastructure and personnel in Bavaria - which represented a serious cost factor for the fourth fiscal quarter of 2004/5 (1 January 2005-31 March 2005) and will probably continue on into the next few quarters. Fabasoft views this major decision by the State of Bavaria as an important milestone in extending Fabasoft's market position in the very competitive government market in Germany.

Fabasoft AG (ISIN AT0000785407; WKN 922985; Bloomberg Code FAA GY; Reuters Code FAAS.DE).

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Listed: regulated market in Frankfurt (Prime Standard); unofficial markets in

Berlin, Bremen, Düsseldorf, Hamburg, Hanover and Stuttgart