



On items 8 and 9 on the agenda

Report of the Managing Board
of S&T System Integration & Technology Distribution AG
pursuant to Section 65 (1b) in conjunction with Section 170 (2) and Section
153 (4) of the Austrian Stock Corporation Act:

The managing board of S&T System Integration & Technology Distribution AG with its registered office in Vienna and its business address at 1110 Vienna, Geiselbergstraße 17-19, registry number 47292y, Vienna Commercial Court, is issuing the following report in connection with the adoption of a resolution on the managing board's authorization to purchase treasury shares pursuant to Section 65 (1) No. 8 and the authorization to resell these other than through the stock exchange, to the exclusion of the shareholders' purchase rights:

The share capital of S&T System Integration & Technology Distribution AG (hereinafter the "Company") amounts to EUR 7,170,034 and is divided into 3,585,017 fully paid-up bearer share units.

On the balance sheet date, the total number of issuable share units is 5,377,525, each of which represents a prorated value of EUR 2.00 of the share capital. Each share unit grants one vote.

The Company currently holds 20,286 treasury shares. No share redemption programmes are currently pending on the basis of the authorization that is valid until 31 October 2010.

The option of repurchasing treasury shares and reselling these other than through the stock exchange is consistent with the Company's growth strategy and of interest as regards the creation of liquidity.

The option to sell treasury shares other than through the stock exchange is of multiple interest to the Company primarily in the context of its growth strategy and acquiring strategic shareholdings. In the experience of the managing board, acquisitions often provide the opportunity to pay a portion of the purchase price in Company shares. A mutual affiliation with a strategic partner could thus be created.

Depending on the size of such a transaction and on the current market conditions and/or the Company's liquidity, it may even be to the Company's advantage to procure, by virtue of redemption, the shares required for such a transaction, rather than alternatively carry out a capital increase (by virtue of a contribution in kind). A thinning of the existing shareholder basis may be prevented by a combination of these two transactions.

Besides using treasury shares to purchase shareholdings, the disposal of shares other than through the stock exchange also allows a comparatively quick transfer of a larger share package, without affecting the share price. Likewise, the option to create liquidity for the Company is of interest primarily in the context of acquiring shareholdings.

Pursuant to Section 65 (1b) in conjunction with Section 171 (1) of the Austrian Stock Corporation Act, the sale of treasury shares other than through the stock exchange requires the consent of the supervisory board, which must also approve the terms and conditions of the sale, thus primarily the selling price. The selling price must depend on the value of the Company, for which the stock price is an indicator. This ensures on behalf of the Company and its existing shareholders that the Company receives a consideration that is equivalent to the value of the treasury shares. In this context, the managing board refers to Section 171 (1) of the Austrian Stock Corporation Act, according to which a report of the managing report shall

again be published no later than two weeks prior to the adoption by the supervisory board of the resolution approving the sale.

Vienna, this April 2010

The managing board