

OPENLIMIT HOLDING AG

SWITZERLAND / SOFTWARE / ELECTRONIC SIGNATURE

Primary exchange: Frankfurt
 Bloomberg symbol: O5H GR
 ISIN: CH0022237009

SHARE ISSUE

RATING:	Buy
PRICE TARGET:	€3.40
RETURN POTENTIAL:	131.3%
RISK RATING:	High

PREPARING FOR eID CARD

On Friday, 17 July, Openlimit announced it had completed a private placement which will increase its share capital by 6.6% and raise gross proceeds of CHF 1.46m. These funds will provide Openlimit with additional financial flexibility during its expected participation in the pilot phase of the German eID card from 1 October. We maintain our Buy recommendation and price target of €3.40.

Cash position strengthened Openlimit has placed 1.04m new shares with private investors raising gross proceeds of CHF 1.46m. The issue raises Openlimit's share capital by 6.6% from 15.757m to 16.797m shares. The new funds will provide the company with additional financial flexibility ahead of its expected participation in the pilot phase of the German eID card from 1 October.

Positive news-flow looks set to continue The shares have rallied strongly in recent months as investors have focused on the high probability that Openlimit and its partners will win the five year contract to implement the software component of the German eID Card. The contract is due to be awarded at the beginning of October. Openlimit and its partners are firm favourites to win this contract as so far no other competitor has been able to demonstrate a viable solution. To date, every single eID showcase at CEBIT and other technology fairs has been based on Openlimit technology. Furthermore Openlimit's digital signature software conforms with the Federal Government's eCard API framework. eCard API will be the basis for all future German eCard projects including the e-health card, the e-passport, the e-tax declaration and the e-proof of income form. If, as we expect, Openlimit takes a leading role in the eID project, it will be excellently placed to win business in further German eCard projects.

Pilot phase of eID project will provide exposure to large potential customers The eID is scheduled to be issued to all eligible German citizens from November 2010. 30 large German companies including Air Berlin, Allianz and the Sparkasse Group will be participating in the pilot phase of the project between October 2009 and November 2010. We believe the pilot phase of the project will provide Openlimit with ample up-selling opportunities.

Buy recommendation and price target maintained We have made minor adjustments to our forecasts to take account of the capital raise inter alia. We maintain our Buy recommendation and price target of €3.40.

FINANCIAL HISTORY & PROJECTIONS

	2005	2006	2007	2008	2009E	2010E
Revenue (€m)	0.18	0.72	2.95	4.55	5.51	8.27
Y-o-y growth	na	302.6%	307.6%	54.2%	21.0%	50.2%
EBIT (€m)	-3.33	-0.25	0.51	1.36	1.21	4.30
EBIT margin	na	na	12.8%	22.5%	17.5%	45.9%
Net income (€m)	0.44	-0.61	0.60	1.09	1.08	3.73
EPS (basic) (€)	0.03	-0.04	0.04	0.07	0.07	0.23
P/E (x)	47.1	na	38.6	21.2	21.5	6.3
DPS (€)	0.00	0.00	0.00	0.00	0.00	0.00
Yield	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

RISKS

Risks to our price target include but are not limited to: delay in large projects, erosion of the company's present competitive lead, further dilution of shareholders' interests and the failure of electronic signature applications to achieve widespread market acceptance.

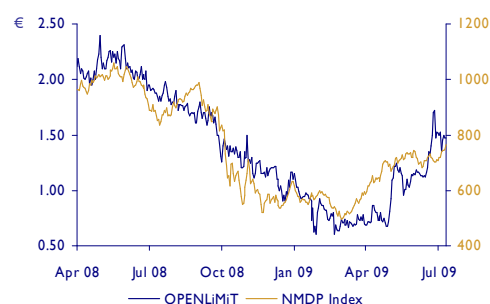
COMPANY PROFILE

Openlimit Holding AG develops and markets software applications for electronic signature, encryption and related fields. The company's internationally recognised Common Criteria-certified software products enhance the security, provability and efficiency of electronic transactions, workflow, communications and data. The company employed 43 full-time staff as of 31 March 2009.

TRADING DATA

Closing price (21.07.09)	€1.47
Shares outstanding	16.80m
Market capitalisation	€24.69m
52-week range	€0.60 / 1.98
Average volume (12 months)	19,537

STOCK OVERVIEW



COMPANY DATA (as of 31 December 2008)

Liquid assets (incl. securities)	CHF0.10m
Current assets	CHF5.54m
Intangible assets	CHF3.60m
Total assets	CHF9.28m
Current liabilities	CHF0.66m
Shareholders' equity	CHF8.61m

SHAREHOLDERS

Heinrich Dattler	12.7%
Rene C. Jäggi	10.0%
Enuhill Portfolio Inc.	7.7%
Freefloat	69.6%



FIRST BERLIN RATING & PRICE TARGET HISTORY

Report No.	Date of publication	Previous day closing price	Rating	Price target	Interim high	% change to high
Initial Report	10 October 2005	€4.20	Buy	€5.20	-	-
2...17	↓	↓	↓	↓	↓	↓
18	11 March 2009	€0.67	Buy	€3.50	€0.87	29.9%
19	6 May 2009	€0.75	Buy	€3.50	€1.21	61.3%
20	20 May 2009	€1.21	Buy	€3.40	€1.72	42.2%
21	Today	€1.47	Buy	€3.40	-	-

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First Berlin's investment rating system is five tiered and includes an investment recommendation and a risk rating. Our recommendations, which are a function of our expectation of total return (forecast price appreciation and dividend yield) in the year specified, are as follows:

STRONG BUY: Expected return greater than 50% and a high level of confidence in management's financial guidance
BUY: Expected return greater than 25%
ADD: Expected return between 0% and 25%
REDUCE: Expected negative return between 0% and -15%
SELL: Expected negative return greater than -15%

Our risk ratings are Low, Medium, High and Speculative and are determined by ten factors: corporate governance, quality of earnings, management strength, balance sheet and financing risk, competitive position, standard of financial disclosure, regulatory and political uncertainty, company size, free float and other company specific risks. These risk factors are incorporated into our valuation models and are therefore reflected in our price targets. Our models are available upon request to First Berlin clients.

Up until 16 May 2008, First Berlin's investment rating system was three tiered and was a function of our expectation of return (forecast price appreciation and dividend yield) over the specified year. Our investment ratings were as follows: BUY: expected return greater than 15%; HOLD: expected return between 0% and 15%; and SELL: expected negative return.

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