

OPENLIMIT HOLDING AG

SWITZERLAND / SOFTWARE / ELECTRONIC SIGNATURE

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

Q1 RESULTS

RATING:	Buy
PRICE TARGET:	€3.00
RETURN POTENTIAL:	74.5%
RISK RATING:	High

eID WIN ALREADY ACTING AS GROWTH CATALYST

Openlimit has reported robust Q1 sales growth (+59%) which shows the company to be well on track to achieve our full year forecasts. The award of the German eID contract in November and the Q1 announcement of imminent certification of a joint e-archiving solution with Fujitsu have confirmed Openlimit's leadership of the digital signature market and are already acting as catalysts for strong sales growth. We maintain our Buy rating and price target of €3.00.

Strong Q1 sales growth Sales rose 59% to CHF 1.04m (Q1 2009: CHF 0.66m) while EBIT came in at -CHF 0.81m (Q1 2009: -CHF 0.78m). The company looks to be well placed to reach our full year forecast of a 30.0% rise in sales to CHF 8.56m (+36.3% to €5.95m). The reason for the decline in Q1 EBIT was higher depreciation on capitalised R&D. Q1 is seasonally the weakest of the year. We are confident that higher sales in forthcoming quarters will push EBIT to our full year forecast of CHF 1.3m (€0.9m).

eID contract win sparking growth across the digital signature market In our view, the eID contract win in November is already acting as a catalyst for the company's own sales as well as for the digital signature market as a whole. In 2010, the pilot phase of the project is generating up-selling opportunities with the other participants (150 large companies and public authorities). Second, the creation of an installed base of digital-signature enabled citizens from 2011 will make the ROI case for other projects much more compelling. Third, it is enabling Openlimit and its partners to dominate the German digital signature market. Finally, it will provide Openlimit with an entrée to digital signature projects in Europe outside of Germany.

FINANCIAL HISTORY & PROJECTIONS

	2006	2007	2008	2009	2010E	2011E
Revenue (€m)	0.80	3.25	4.79	4.36	5.95	8.98
Y-o-y growth	344.8%	306.3%	47.4%	-8.9%	36.3%	51.1%
EBIT (€m)	-0.34	0.57	1.37	-0.81	0.90	3.50
EBIT margin	0.0	12.9%	22.0%	-12.9%	10.6%	30.6%
Net income (€m)	-0.66	0.66	1.06	-0.53	0.78	2.95
EPS (diluted) (€)	-0.04	0.04	0.07	-0.03	0.04	0.15
P/E (x)	na	41.0	25.6	na	43.8	11.6
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.

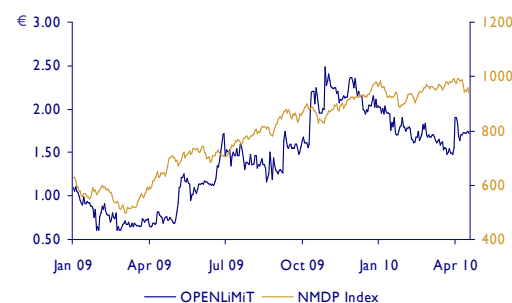
COMPANY PROFILE

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 54 staff as of 31 March 2010.

TRADING DATA

Closing price (04.05.10)	€1.72
Shares outstanding	18.09m
Market capitalisation	€31.09m
52-week range	€0.68 / 2.48
Average volume (12 months)	46,427

STOCK OVERVIEW



COMPANY DATA (as of 31 March 2010)

Liquid assets	CHF 3.69m
Current assets	CHF 8.07m
Intangible assets	CHF 4.92m
Total assets	CHF 13.18m
Current liabilities	CHF 0.41m
Shareholders' equity	CHF 12.53m

SHAREHOLDERS

Heinrich Dattler	11.8%
René C. Jäggi	9.2%
Enuhill Portfolio, Inc.	7.2%
Robert E. Züllig	5.8%
Free float	66.0%



Cooperation with Fujitsu promises lead in e-archiving field In March Fujitsu and Openlimit submitted SecDocs, their joint solution for long term secure e-archiving, for certification by the BSI (the Federal Office for Information Technology Security). Certification, which is scheduled for Q3 2010, should secure a substantial lead in the field of e-archiving for the two companies. Fujitsu is the third largest IT company in the world. We expect interesting announcements in the future as the partnership between it and Openlimit develops further.

Liquidity and balance sheet much strengthened on a year ago Liquid assets reached CHF 3.69m at end Q1 (Q1 2009: CHF 0.09m) following two capital raises (July and November 2009), the exercise of employee options in Q1 and a reduction in receivables. The equity ratio improved from ~85% to ~95%.



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...22	↓	↓	↓	↓	↓	↓
23	19 August 2009	€1.36	Buy	€3.40	€2.48	82.4%
24	12 March 2010	€1.68	Buy	€3.40	€1.90	13.1%
25	23 April 2010	€1.64	Buy	€3.00	€1.75	6.6%
26	Today	€1.72	Buy	€3.00	-	-

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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.

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