Deloitte &
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Ms. Nell Miller
Microsoft Corporation
One Microsoft Way
Redmond, WA 98052

We have applied certain agreed-upon procedures as outlined in the standard audit program on file
with you, except as noted below, to the quarterly royalty reports submitted by Vobis
Microcomputer AG (Vobis) to Microsoft Corporation (MS) for the period from January 1, 1994
through September 30, 1994 and the preliminary royalty report submitted by Vobis to MS-GmbH
for the period October 1, 1994 through December 31, 1994 under the terms of license agreement
G150-3364 for MS operating systems, dated January 1, 1994, and its related amendments. We
were unable to apply these procedures to the quarterly and preliminary royalty reports submitted
for the same period under the terms of license agreement G150-3313 for MS applications, dated
October 1, 1993, and its related amendments, due to Vobis' inability to compile information on a
per-system basis as defined in the license agreement. We were unable to determine the
completeness of the population being tested as we were not provided financial statements, and we
were unable to perform additional procedures to satisfy this objective. We were able to perform
certain other procedures, as outlined below, with respect to the applications agreement. Our
procedures were performed solely to assist you in evaluating the reasonableness of the royalty
reports submitted by Vobis and our report is not to be used for any other purpose.

Our procedures were performed during the periods of January 9th through 20th and February 13th
through 24th, 1995 at Vobis' offices in Würselen, Germany. Mr. Willy Weck, Managing Director,
and Mr. Heinz Willi Dahmen, Product Manager, were our primary contacts.

The additional procedures performed, and our findings are as follows:

Additional Procedures:

- In order to determine whether sales of MS applications were sold and reported when required
  by the license contract, we reviewed invoices from eight judgmentally selected stores out of a
  total of 348 stores. We believe this represents approximately 3% of the total invoices available
  for testing. We calculated the amount of royalties owed for each monthly period based on the
  application products required under the contract and amendments in effect at that time. We
  also calculated the amount of royalties reported based on the application products actually sold
  during the same period. We calculated the percentage difference between the amount owed,
  and the amount reported.

**Deloitte Touche
Tohmatsu
International**

Findings:

Contract G150-3364 (operating systems):

- Based on the agreed-upon procedures performed, we determined Vobis has properly reported total systems sold with the exception of eight system article numbers which were identified as having been omitted from the total systems reported for royalty purposes. This resulted in underreported royalties totaling $94,560. See Schedule A.

- Royalties for MS-DOS were reported on a per-copy basis during part of the fourth calendar quarter, rather than on a per-system basis as required by the license agreement. This resulted in preliminary underreported royalties of $849,288. See Schedule A.

Contract G150-3313 (applications):

- Based on the additional procedures performed, we determined that Vobis has not reported royalties in every instance required by the license agreement. Our findings from the invoices reviewed are summarized at Schedule B. Because we were unable to determine the completeness of the population being tested, we were unable to apply statistical sampling methods and we are not able to extrapolate our findings to royalties reported.

- We noted several instances where applications were sold without systems as required by the license agreement. We were unable to quantify these occurrences.

Because the procedures performed do not constitute an audit in accordance with generally accepted auditing standards, we do not express an opinion on the quarterly and preliminary royalty reports submitted by Vobis to MS under the terms of the license agreements. Had we performed additional procedures or had we made an audit of Vobis' financial statements in accordance with generally accepted auditing standards, other matters might have come to our attention that would have been reported to you. This report relates only to the items specified above and does not extend to any financial statements of Vobis taken as a whole.

Deloitte & Touche LLP

February 24, 1995

VOBIS MICROCOMPUTER AG
SCHEDULE OF FINDINGS FOR LICENSE G150-3364
FOR THE YEAR ENDED DECEMBER 31, 1994

Underreported systems:

System Article #	Quantity	Royalty Rate		Royalties Underreported
905015	349	$ 30	a	$ 10,470
905052	2,331	30	a	69,930
905100	110	30	a	3,300
905214	44	30	a	1,320
905306	151	30	a	4,530
905332	41	30	a	1,230
905413	76	30	a	2,280
190046	50	30	a	1,500

Total underreported royalties from missed article numbers   94,560

Underreported MS-DOS quarter ended December 31, 1994:

Total systems sold	$ 235,580
Less: MS-DOS units reported	158,372
Underreported MS-DOS units	77,208
MS-DOS royalty rate	$ 11.00

                                           $ 849,288

Total underreported $ 943,848

NOTE:

a   Combined royalty rate for MS-DOS, Windows, and Works, $11, $17, and $2, respectively.

VOBIS MICROCOMPUTER AG   **SCHEDULE B**
SCHEDULE OF FINDINGS FOR LICENSE G150-3313
FOR THE YEAR ENDED DECEMBER 31, 1994

Systems information:

Total number of systems	15,369
Total number of CD-ROM systems	5,807
Percentage of CD-ROM systems	38%

Applications information:

CD-ROM systems without applications	2,038
CD-ROM systems with one application	772
CD-ROM systems with two applications	2,466
CD-ROM/printer with application	232
CD-ROM/printer without application	28
Vobis Volksmodem with MS Money	77
Vobis Volksmodem without MS Money	17
CD-ROM/scanner with Graphics package	10
CD-ROM/scanner without Graphics package	60
CD-ROM/16 bit sound card with sound package	39
CD-ROM/16 bit sound card without sound package	405

Royalty calculation:

Application royalties owed	$ 498,334 a
Application royalties reported	$ 357,656 a
Underreported application royalties	$ 140,678
Percent underreported	39% b

NOTES:

The above results are based on review of invoices from eight stores. A total of 76 monthly periods during calendar year 1994 were included in the review. Vobis had approximately 348 stores in December of 1994.

a   Application royalties owed and reported are calculations based on the contract terms in effect during each month.

b   Percent underreported represents a simple average, no weighted averages have been applied.