

## Press release

### Bechtle Reports Revenue and Earnings Surge in Q3

- Revenue up 19.7 per cent
- EBIT climbs 20.9 per cent
- Outlook for the year adjusted upwards

Neckarsulm, 10 November 2017 – Bechtle AG impressively perpetuated its success in the third quarter of 2017, further expanding the high dynamics of the first six months. From July to September, the company's revenue increased 19.7 per cent to €873.9 million. Operating income (EBIT) went up 20.9 per cent to €42.5 million. Earnings before taxes (EBT) climbed 16.4 per cent to €42.2 million. The EBT margin remained at a high level of 4.8 per cent. As of 30 September 2017, Bechtle had a total of 8,199 employees, 554 persons or 7.2 per cent more than in the prior year.

"Bechtle's Q3 performance is impressive. Our future-oriented IT solution and service portfolio enjoys a high level of customer awareness. In conjunction with the excellent economic situation, this has provided us with a noticeable growth surge," explains Dr. Thomas Olemotz, Chairman of the Executive Board of Bechtle AG.

#### System House & Managed Services Boosts Margin

The IT system house & managed services segment boosted its revenue by 20.0 per cent to €616.7 million. The growth was widely supported by stable customer demand for conventional system house services as well as managed and cloud services. Bechtle generated growth impulses especially with the architecture of modern IT workplace concepts on the basis of collaboration technologies. In the third quarter of 2017, segment EBIT went up by an above-average 22.2 per cent to €29.4 million. The EBIT margin amounted to 4.8 per cent (prior year: 4.7 per cent).

#### E-Commerce Grows 25 Per Cent in Germany

In the reporting period, the revenue in the IT e-commerce segment climbed 19.1 per cent to €257.2 million. The increase of the domestic companies was especially high. These companies boosted their revenue by 25.4 per cent to €83.0 million. The companies abroad stepped up their revenue by 16.3 per cent to €174.1 million. EBIT climbed 18.0 per cent to €13.1 million. The margin stayed at a high level of 5.1 per cent.

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### **Investments Progressing According to Plan**

The investments to secure the future competitiveness were pursued vigorously in the third quarter of 2017. After nine months, the investment volume had reached €50 million, which is already more than in fiscal year 2016 (€39.6 million). The funds were mainly invested in strategic projects such as the implementation of a modern digital presentation of Bechtle, the establishment of the Bechtle Clouds platform and the extensive modernisation of the data centre. The construction of a new car park at the headquarters in Neckarsulm was also completed in the third quarter. Investments in the year as a whole are expected to total around €60 million.

### **Annual Forecast Adjusted Upwards**

In the first nine months, Bechtle achieved two-digit revenue and earnings growth rates, surpassing its original expectations. The Executive Board believes that these growth dynamics will slacken in the fourth quarter – especially in view of the high reference value achieved in the prior year. Nevertheless, Bechtle has stepped up its forecast for 2017 as a whole and now plans to deliver very significant revenue and earnings growth. As originally predicted, the EBT margin is expected to at least remain at the prior-year level. However, this will only be possible if the economic framework conditions remain stable in the fourth quarter and the vendors are able to supply the high quantities needed towards the end of the year. “Bechtle is one of the few one-stop providers on the market that is able to support its customers in all IT-related areas and has positioned itself as the preferred partner of enterprises and the public sector. In view of this strong competitive position, we are confident that we will experience another successful fiscal year,” says Dr. Thomas Olemotz.

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### Bechtle KPIs for the Third Quarter and Nine-Month Period of 2017

|                                     |    | Q3/2017 | Q3/2016           | +/-     | 9M/2017   | 9M/2016           | +/-    |
|-------------------------------------|----|---------|-------------------|---------|-----------|-------------------|--------|
| Revenue                             | €k | 873,925 | 730,027           | +19.7%  | 2,499,252 | 2,158,325         | +15.8% |
| Domestic                            | €k | 630,449 | 519,632           | +21.3%  | 1,757,565 | 1,506,253         | +16.7% |
| Abroad                              | €k | 243,476 | 210,395           | +15.7%  | 741,687   | 652,072           | +13.7% |
| IT system house                     | €k | 616,747 | 514,092           | +20.0%  | 1,752,935 | 1,509,159         | +16.2% |
| IT e-commerce                       | €k | 257,178 | 215,935           | +19.1%  | 746,317   | 649,166           | +15.0% |
| EBIT                                | €k | 42,492  | 35,159            | +20.9%  | 110,819   | 94,376            | +17.4% |
| IT system house                     | €k | 29,441  | 24,102            | +22.2%  | 76,811    | 64,116            | +19.8% |
| IT e-commerce                       | €k | 13,051  | 11,057            | +18.0%  | 34,008    | 30,260            | +12.4% |
| EBIT margin                         | %  | 4.9     | 4.8               |         | 4.4       | 4.4               |        |
| EBT                                 | €k | 42,204  | 36,266            | +16.4%  | 109,909   | 95,276            | +15.4% |
| EBT margin                          | %  | 4.8     | 5.0               |         | 4.4       | 4.4               |        |
| Earnings after taxes                | €k | 29,604  | 25,826            | +14.6%  | 77,092    | 67,652            | +14.0% |
| Earnings per share                  | €  | 0.70    | 0.61 <sup>1</sup> | +14.6%  | 1.84      | 1.61 <sup>1</sup> | +14.0% |
| Cash flow from operating activities | €k | 43,956  | 14,557            | +202.2% | 20,673    | 20,397            | +1.4%  |
| Employees (as of 30 September)      |    | 8,199   | 7,645             | +7.2%   |           |                   |        |

|                        |    | 30.09.17 | 30.09.16 | +/-    | 30.09.17 | 31.12.16 | +/-    |
|------------------------|----|----------|----------|--------|----------|----------|--------|
| Liquidity <sup>2</sup> | €k | 103,950  | 148,323  | -29.9% | 103,950  | 162,781  | -36.1% |
| Equity ratio           | %  | 58.7     | 59.6     |        | 58.7     | 54.7     |        |

<sup>1</sup> adjusted for bonus shares

<sup>2</sup> including time deposits and securities

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The quarterly statement for the third quarter of 2017 is available for download at [bechtle.com/reports](http://bechtle.com/reports).

**About Bechtle:** Bechtle AG has about 70 IT system houses in Germany, Austria and Switzerland. With its e-commerce companies in 14 countries, Bechtle is one of Europe's leading IT trading companies. Founded in 1983 and headquartered in Neckarsulm, Germany, the group currently has about 8,000 employees. Bechtle offers its more than 70,000 customers from the fields of industry and trade, the public sector and the financial market a comprehensive, cross-vendor portfolio of IT infrastructure and IT operation solutions. Bechtle is listed in the technology index TecDAX. In 2016, the company's revenue amounted to approximately €3.1 billion. For more information, see [bechtle.com](http://bechtle.com).