

PRESS RELEASE

Bechtle shows international growth in third quarter

- Business volume slightly lower than previous year
- Revenue increases by 2.2 per cent
- EBT totals €78.6 m
- Operating cash flow shows significant growth to €289.4 m
- 890 young people in training

Neckarsulm, 08 November 2024 – Bechtle AG's business development remained under pressure in the third quarter against an ongoing tough economic backdrop. Regionally, the picture varies with the Bechtle Group's most important markets—Germany and France—continuing to be dominated by uncertainty and a reluctance to invest, particularly in the B2B segment. In other European countries, however, Bechtle enjoyed considerable organic growth. Overall, business volume was slightly below the previous year at -1.1 per cent, but revenue went up 2.2 per cent to €1,511.3 m. At €78.6 m, earnings before taxes (EBT) were significantly below the previous year's €93.9 m. The EBT margin also declined from a very good 6.3 per cent to 5.2 per cent. On 30 September 2024, Bechtle employed 15,608 staff, which is 768 people more year-on-year.

Domestic business volume shrank by 8 per cent in the third quarter due to a large-volume software project that had a very positive impact on Q3 2023, which could not be repeated this year. By contrast, Bechtle was able to boost its international business volume by a very satisfactory 10.7 per cent and organic growth stood at an impressive 8.8 per cent. Bechtle's subsidiaries in Austria and Switzerland, Belgium and the United Kingdom in particular developed very positively. "Overall, we are not satisfied with the third-quarter business development. Our SME customers—especially in our most important markets, France and Germany—remain reluctant to invest, but we are delighted by the growth exhibited by our

international companies, which is further confirmation that our European M&A strategy is the right course to take,” says Dr Thomas Olemotz, CEO, Bechtle AG.

Cost pressure weighs down earnings

Earnings before taxes totalled €78.6 m and were therefore unable to maintain the previous year’s very high level. While the material costs developed at a disproportionately lower rate than revenue, a decrease in other operating income and the rise in personnel costs as a result of acquisitions and higher depreciation and amortisation had a negative impact.

Operating cash flow demonstrates financial strength

Bechtle’s operating cash flow once again developed very positively, totalling €289.4 m in the first nine months of 2024 (previous year: €190.2 m)—an improvement of some €100 m. The decrease in trade receivables and inventories remained at a consistently high level while the smaller reduction in trade payables also had a positive effect during the reporting period. At €196.0 m, free cash flow was also considerably up on the previous year’s €28.9 m.

Moderate increase in headcount

On 30 September 2024, the number of employees across the 120 European locations had gone up by 5.2 per cent, or 768 people, some 70 per cent of whom joined Bechtle as a result of acquisitions. Without these acquisitions, growth would have been just 1.6 per cent.

Another vocational training milestone

Bechtle has been training young people for close to 40 years with the aim of compensating for a strained labour market by promoting young talents from within its own ranks. The beginning of the academic year in September 2024 saw 286 vocational trainees and university students starting their careers at Bechtle, meaning a total of 890 young people were in training at the company on 30 September 2024—more than ever before.

Confidence remains

Many SME customers remained reluctant to invest in upgrading their traditional IT infrastructures in the third quarter. As a result of the continuing adverse economic conditions and high levels of uncertainty regarding future developments, the Executive Board withdrew its annual forecast, which had previously been revised in July. "In light of earnings development so far this year, coupled with the continuing adverse economic conditions in the third quarter, we no longer expect to achieve the adjusted forecast. We do, however, still foresee an improvement in business development in the fourth quarter of 2024 backed by our B2G customers," says Dr Thomas Olemotz.

Bechtle KPIs for the third quarter and first nine months of 2024

		Q3/2024	Q3/2023	+/-	9M/2024	9M/2023	+/-
Business volume	€k	1,889,607	1,911,470	-1.1%	5,672,112	5,613,066	+1.1%
Revenue	€k	1,511,255	1,479,155	+2.2%	4,489,486	4,527,599	-0.8%
Germany	€k	913,651	914,638	-0.1%	2,664,320	2,770,185	-3.8%
International	€k	597,604	564,517	+5.9%	1,825,166	1,757,414	+3.9%
IT SH & MS	€k	959,271	941,738 ¹	+1.9%	2,811,127	2,856,920 ¹	-1.6%
IT E-commerce	€k	551,984	537,417 ¹	+2.7%	1,678,359	1,670,679 ¹	+0.5%
EBIT	€k	80,749	96,402	-16.2%	249,582	273,491	-8.7%
IT SH & MS	€k	58,324	66,723 ¹	-12.6%	163,449	189,709 ¹	-13.8%
IT E-commerce	€k	22,425	29,679 ¹	-24.4%	86,133	83,782 ¹	+2.8%
EBIT margin	%	5.3	6.5		5.6	6.0	
EBT	€k	78,550	93,878	-16.3%	244,344	267,357	-8.6%
EBT margin	%	5.2	6.3		5.4	5.9	
Earnings after taxes	€k	55,946	66,758	-16.2%	174,143	189,620	-8.2%
Earnings per share	€	0.44	0.53	-16.0%	1.38	1.50	-8.1%
Operating cash flow	€k	148,264	125,259	+18.4%	289,439	190,237	+52.1%
Employees (as of 30/09)		15,608	14,840	+5.2%			

¹ Figures adjusted

		30/09/2024	31/12/2023	+/-
Liquidity ²	€k	520,658	465,756	+11.8%
Equity ratio	%	48.0	45.8	

² Including time deposits and securities

The quarterly statement for the third quarter 2024 is available for download at [bechtle.com/reports](https://www.bechtle.com/reports).

About Bechtle:

With more than 100 system houses and IT e-commerce in 14 countries, Bechtle is one of Europe's leading IT providers and never more than a stone's throw away. Bechtle also has a worldwide partner network to fulfil the needs of its customers on every continent. Founded in 1983, the Bechtle Group is headquartered in the southern German town of Neckarsulm and currently employs over 15,000 people. Over 70,000 customers from the industrial, trade, financial and public sectors rely on Bechtle to drive their digital transformation with a cross-vendor portfolio that spans the whole world of IT infrastructure and operations. Bechtle is listed on the MDAX and TecDAX indexes. In 2023, the company generated a revenue of €6.42 bn. Read more at [bechtle.com](https://www.bechtle.com)

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