

1ST QUARTER 2015

Q1

Interim Report as of
31 MARCH 2015

Your strong IT partner.
Today and tomorrow.



KEY FIGURES OF THE BECHTLE GROUP AT A GLANCE

		01.01 – 31.03.2015	01.01 – 31.03.2014	Change in %
Revenue	€k	622,450	586,696	6.1
IT system house & managed services	€k	402,626	386,440	4.2
IT e-commerce	€k	219,824	200,256	9.8
EBITDA	€k	28,533	26,637	7.1
IT system house & managed services	€k	21,023	18,169	15.7
IT e-commerce	€k	7,510	8,468	-11.3
EBIT	€k	22,501	21,161	6.3
IT system house & managed services	€k	16,528	13,668	20.9
IT e-commerce	€k	5,973	7,493	-20.3
EBIT margin	%	3.6	3.6	
IT system house & managed services	%	4.1	3.5	
IT e-commerce	%	2.7	3.7	
EBT	€k	22,475	20,832	7.9
EBT margin	%	3.6	3.6	
Earnings after taxes	€k	15,734	14,802	6.3
Earnings per share	€	0.75	0.70	6.3
Return on equity¹	%	12.2	12.7	
Cash flow from operating activities	€k	390	3,076	-87.3
Cash flow per share	€	0.02	0.15	-87.3
Number of employees (as of 31.03)		6,671	6,352	5.0
IT system house & managed services		5,218	5,041	3.5
IT e-commerce		1,453	1,311	10.8
		31.03.2015	31.12.2014	Change in %
Cash and cash equivalents²	€k	150,366	156,000	-3.6
Working capital	€k	292,486	291,326	0.4
Equity ratio	%	57.6	54.5	5.8

¹ Annualised

² Incl. time deposits and securities

REVIEW BY QUARTER 2015

		1st Quarter 01.01 – 31.03	2nd Quarter 01.04 – 30.06	3rd Quarter 01.07 – 30.09	4th Quarter 01.10 – 31.12	2015 FY 01.01 – 31.03
Revenue	€k	622,450				622,450
EBITDA	€k	28,533				28,533
EBIT	€k	22,501				22,501
EBT	€k	22,475				22,475
EBT margin	%	3.6				3.6
Earnings after taxes	€k	15,734				15,734

CONSOLIDATED INTERIM MANAGEMENT REPORT

BUSINESS ACTIVITY

As a one-stop IT provider, BECHTLE is active with about 65 system houses in Germany, Austria and Switzerland, and is one of Europe's leading online IT dealers, with subsidiaries in 14 countries. This combination forms the basis of BECHTLE'S unique business model, which combines IT services with the conventional IT trading business. Established in 1983 and headquartered in Neckarsulm, Germany, the company offers a one-stop, vendor-independent, comprehensive IT portfolio to its more than 75,000 customers from the fields of industry and trade, the public sector and the financial industry.



See
Annual Report 2014,
page 69 ff

In the IT system house & managed services segment, the service spectrum ranges from the sale of hardware, software and application solutions to project planning and roll-out, system integration, maintenance and training to the provision of cloud services and the complete operation of the customer IT. We have bundled our trading business in IT e-commerce, the second business segment. Here, we offer our customers hardware and standard software via the Internet and telesales under the BECHTLE DIRECT and ARP brands. Moreover, the COMSOFT DIRECT brand is active in this segment as our software management and software licensing specialist.



bechtle.com/portfolio-en

BUSINESS ENVIRONMENT

- Economic situation in the EU remains good
- Fluctuating mood in the IT industry

Macroeconomy

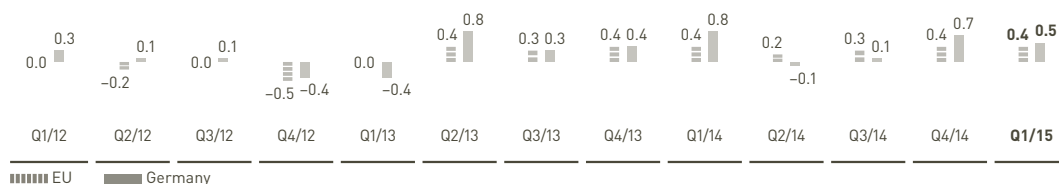
The economic dynamics in the EU are unabated. According to the latest forecast of the European Commission of May 2015, the gross domestic product (GDP) went up 0.4 per cent in the first quarter of 2015 and thus kept the level of the strong previous quarter. The outlook is positive in all EU countries in which BECHTLE is present, though to different extents. The bandwidth ranges from a GDP growth of 0.1 per cent in Italy to 0.8 per cent in Poland and Spain.



ec.europa.eu

GDP PERFORMANCE IN THE EU COMPARED TO THE PRIOR QUARTER

%



In Germany, the GDP growth in the first quarter of 2015 is said to have increased by 0.5 per cent. Thus, the German economy did not fully reach the dynamics of the prior quarter, but the weak phase of mid-2014 seems to have been overcome.



ifo.de

The mood in the German economy continued to brighten up in the first quarter as well. Starting from 105.5 points in December, the ifo index went up continually, reaching 107.9 in March. In April, the index increased further, improving to 108.6 points. The development regarding the evaluation of “current situation” and “expectations” was also positive.

Industry



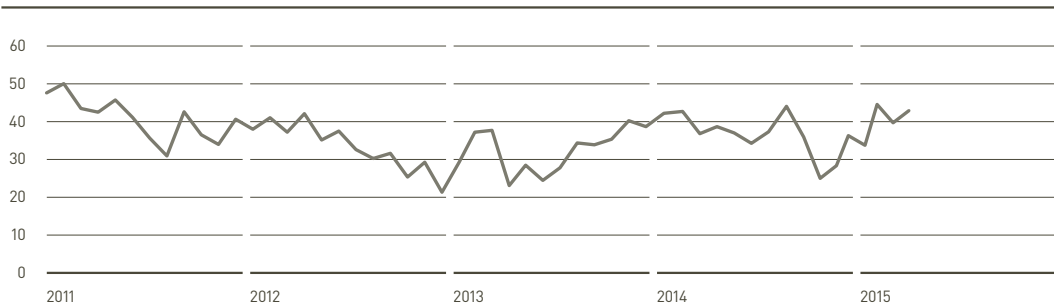
gulp.de

For the IT industry, the situation in the first quarter of 2015 was mixed. In the reporting period, the GULP IT project market index, which registers projects for freelance IT specialists in Germany, underwent a year-on-year increase of 4.8 per cent. In view of the high base level from the prior-year quarter, this is a decidedly positive signal. On the other hand, the PC market in Europe declined as expected and was unable to reach the high growth rates that had been recorded in the prior year. According to figures provided by the IDC market research institute, the decline in Western Europe remained at a moderate minus 2.0 per cent. However, the reluctance was higher among corporate customers: Business PC sales slumped 9.5 per cent. In Southern and Eastern European countries, PC sales dropped 23.0 per cent.

Product prices increased in the first quarter. In most product groups, the increase was in the low one-digit range. A more significant price leap was only observed in the field of servers.

In the first quarter, the mood on the German IT market was fluctuated. Starting from 36.3 points in December, the ifo index for IT service providers initially dropped to 33.7 in January, then underwent a significant increase to 44.5 in February and finally receded to 39.9 in March. While the evaluation of the current situation remained relatively constant, the expectations for the business outlook were subject to major fluctuations. In April, the mood climbed back up to 42.9 points, a change that resulted from the more optimistic evaluation of the future performance.

IFO INDEX FOR IT SERVICE PROVIDERS



Overall Assessment

In the first quarter of 2015, the economic performance was quite positive. The high growth dynamics could be maintained in the EU, and the GDP growth was at a good level in Germany as well. The mood in Germany was good and improved from month to month in the course of the quarter. Some of the economic forecasts for the year as a whole were stepped up in the first quarter. In the first quarter, the situation on the IT market was mixed. Substantial mood fluctuations imply a relatively high level of uncertainty.

In this market environment, BECHTLE AG underwent a positive development, growing faster than the overall market in the first quarter. The mood among our customers is good, and after a rather sluggish start in the year, the willingness to invest showed a positive development towards to end of the first quarter.

As BECHTLE AG does not publish any forecasts during the year, it is currently not possible to compare the actual figures with the target figures. As far as the year as a whole is concerned, we are sticking to our forecast that both the revenue and the earnings will increase significantly compared to the prior year, and the margin will improve slightly. The figures in the first quarter are in full accord with these goals.

EARNINGS POSITION

- Significant revenue and earnings growth
- Foreign e-commerce business the growth driver
- Improved margin in the system house segment

Order Position

For the sale of IT products and the provision of services, BECHTLE concludes both short-term and long-term contractual relationships. The IT e-commerce segment is characterised almost entirely by the conclusion of pure trading deals with very short order and delivery times. In the IT system house & managed services segment, project deals can take anywhere from several weeks to one year. Especially in the fields of managed services and cloud computing, most of the framework and operating agreements that BECHTLE concludes with its customers have terms of several years.

In the first three months of 2015, incoming orders amounted to approximately €639 million, 8 per cent more than in the prior year (€589 million). The IT system house & managed services segment recorded an increase of 9.5 per cent to €420 million (prior year: €383 million). At approximately €219 million, the incoming orders in the IT e-commerce segment were almost 6 per cent higher than in the prior year (€206 million).



Concerning the adjustment
of the prior-year figures,
see AR 2014, page 112

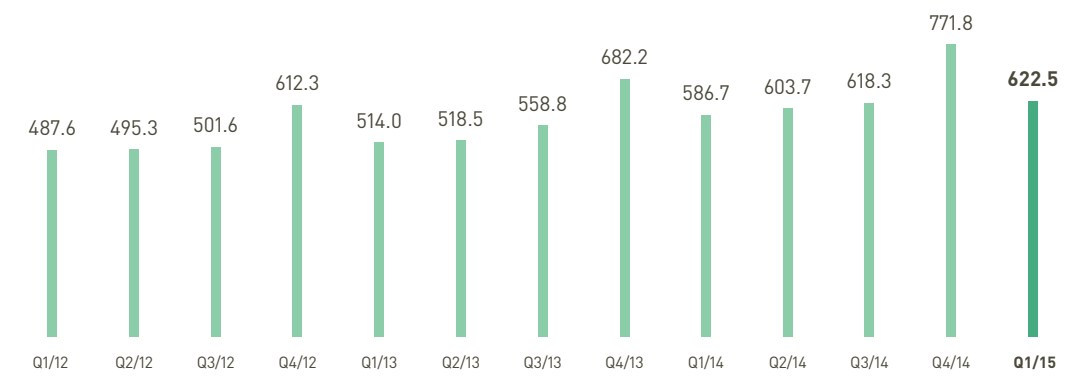
As of 31 March, the order backlog amounted to €305 million (prior year: €252 million). Of this amount, the IT system house & managed services segment accounted for €255 million (prior year: €209 million), and the IT e-commerce segment for €50 million (prior year: €43 million).

Revenue Performance

BECHTLE AG increased its revenue significantly in the first quarter of 2015. However, as expected, the high dynamics of the prior year could not be repeated. In the first quarter, the revenue in the BECHTLE Group increased 6.1 per cent from €586.7 million to €622.5 million. With an increase of 9.8 per cent, the IT e-commerce segment again boasted the greater share in the revenue growth, thanks to impressive growth of 14.3 per cent in the foreign trading companies. The growth in the group was largely organic, with only 0.2 percentage points of the growth originating from acquisitions.

GROUP REVENUE

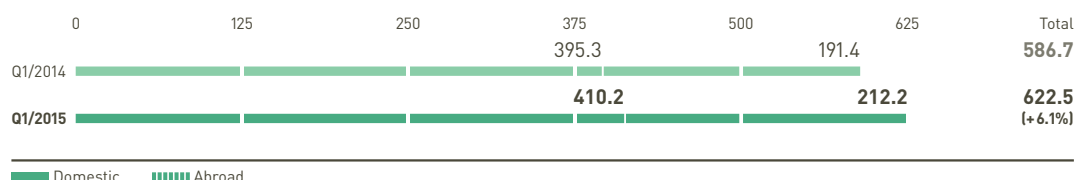
€m



Owing to the strong performance of IT e-commerce outside Germany, the revenue abroad increased at an above-average rate of 10.9 per cent to €212.2 million (prior year: €191.4 million). In Germany, the revenue increased 3.8 per cent from €395.3 million to €410.2 million.

REGIONAL REVENUE DISTRIBUTION

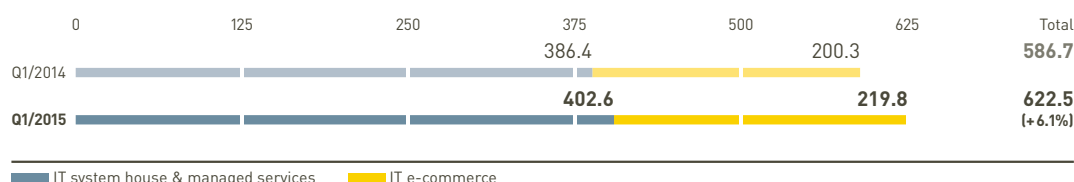
€m



The IT system house & managed services segment increased its revenue by 4.2 per cent to €402.6 million (prior year: €386.4 million). Here, impulses came mainly from Germany, where the revenue went up 4.7 per cent from €338.8 million to €354.6 million. The performance of our foreign system houses was impaired by the difficult economic conditions in Switzerland. Accordingly, revenue only went up 0.7 per cent to €48.0 million (prior year: €47.7 million).

REVENUE BY SEGMENTS

€m



In the reporting period, the revenue in the IT e-commerce segment improved 9.8 per cent from €200.3 million to €219.8 million. The foreign IT e-commerce companies were the growth driver. As mentioned, they boosted their revenue by 14.3 per cent to €164.2 million (prior year: €143.7 million). The increase was largely distributed over all international markets of the BECHTLE Group. Domestic revenue receded 1.6 per cent from €56.5 million to €55.6 million, especially due to the decline in the field of desktop PCs.

REVENUE – GROUP AND SEGMENTS

€k

	Q1/2015	Q1/2014	Change
Group	622,450	586,696	+6.1%
Domestic	410,227	395,298	+3.8%
Abroad	212,223	191,398	+10.9%
IT system house & managed services	402,626	386,440	+4.2%
Domestic	354,620	338,773	+4.7%
Abroad	48,006	47,667	+0.7%
IT e-commerce	219,824	200,256	+9.8%
Domestic	55,607	56,525	-1.6%
Abroad	164,217	143,731	+14.3%

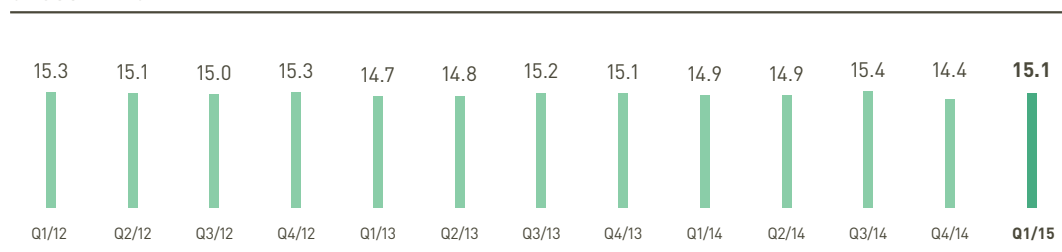
Based on an average of 6,077 full-time and part-time employees, the revenue per employee in the group amounted to €102 thousand in the first quarter of 2015, as previously. The revenue per employee in the IT system house & managed services segment remained at €85 thousand, based on an average of 4,755 full-time and part-time employees. Due to the higher headcount increase, the revenue per employee in the IT e-commerce segment receded from €170 thousand (based on an average of 1,181 full-time and part-time employees) to €166 thousand (based on an average of 1,322 full-time and part-time employees).

Earnings Performance

In the reporting quarter, the cost of sales went up 5.9 per cent, a rate slightly lower than that of revenue. As in the prior quarter, material costs increased above average, especially due to the strong growth in the IT e-commerce segment. However, personnel expenses developed at a disproportionately low rate within the cost of sales, resulting in an improvement of the gross margin from 14.9 per cent to 15.1 per cent. Gross profit amounted to €93.9 million, 7.4 per cent more than in the prior year (€87.4 million).

GROSS MARGIN

%



In the first quarter, our functional costs went up at a disproportionately high rate. Distribution costs increased 6.9 per cent from €39.9 million to €43.0 million. The distribution cost ratio climbed from 6.8 per cent to 6.9 per cent. Administrative expenses grew 11.5 per cent from €29.3 million to €32.7 million. This was caused by new recruitment and inter-company cost transfer. The administrative expense ratio thus increased from 5.0 per cent to 5.3 per cent.

Year on year, earnings before interest, taxes, depreciation and amortisation (EBITDA) increased 7.1 per cent from €26.6 million to €28.5 million. Thus, our EBITDA margin reached a value of 4.6 per cent, compared to 4.5 per cent in the prior year.

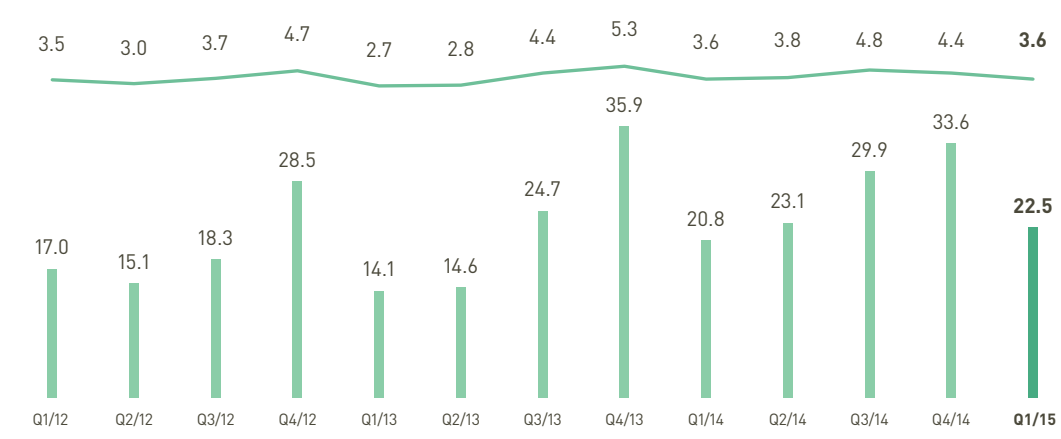
Depreciation and amortisation amounted to €6.0 million, slightly more than in the prior year (€5.5 million). As previously, depreciation of property, plant and equipment – which increased from €4.5 million to €5.0 million – accounted for the largest share.

Earnings before interest and taxes (EBIT) improved 6.3 per cent to €22.5 million (prior year: €21.2 million). At 3.6 per cent, the margin remained at the prior-year level.

Year on year, financial earnings improved. Thus, the group generated earnings before taxes (EBT) of €22.5 million in the period from January to March, 7.9 per cent more than in the prior year (€20.8 million). At 3.6 per cent, the EBT margin remained at the prior-year level.

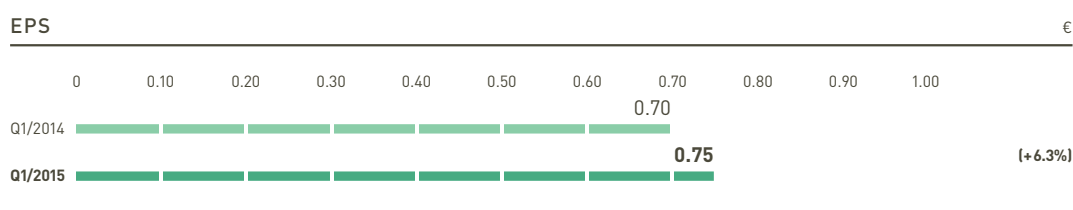
EBT AND EBT MARGIN

€m and %



In the reporting quarter, tax expense increased at a disproportionately high rate from €6.0 million to €6.7 million, especially due to the persistently high domestic earnings share. The tax rate progressed from 28.9 per cent in the prior year to 30.0 per cent in the period under review.

Earnings after taxes went up 6.3 per cent from €14.8 million to €15.7 million. Accordingly, the net margin was 2.5 per cent, as in the corresponding prior-year quarter. On the basis of 21.0 million shares, earnings per share (EPS) amounted €0.75 (prior year: €0.70).



At segment level, the earnings situation was as follows:

In the first quarter of 2015, EBIT in the IT system house & managed services segment increased 20.9 per cent to €16.5 million (prior year: €13.7 million). The EBIT margin was 4.1 per cent, compared to 3.5 per cent in the prior year. This was due mainly to the disproportionately low increase in personnel expenses.

In the first quarter, the IT e-commerce segment generated EBIT of €6.0 million, a decline of 20.3 per cent compared to the prior year (€7.5 million). The margin dropped from 3.7 per cent to 2.7 per cent. This was due to the disproportionately high increase in personnel expenses and the sluggish domestic business at the beginning of the year. However, both effects are expected to diminish in the course of the year.

EBIT – GROUP AND SEGMENTS

	€k		
	Q1/2015	Q1/2014	Change
Group	22,501	21,161	+6.3%
IT system house & managed services	16,528	13,668	+20.9%
IT e-commerce	5,973	7,493	-20.3%

ASSETS AND FINANCIAL POSITION

- All balance sheet indicators very strong
- Cash flow affected by seasonal effects

As of 31 March 2015, the balance sheet total of the BECHTLE Group amounted to €998.8 million, €17.8 million less than as of 31 December 2014 (€1,016.6 million), an effect caused by seasonal reasons.

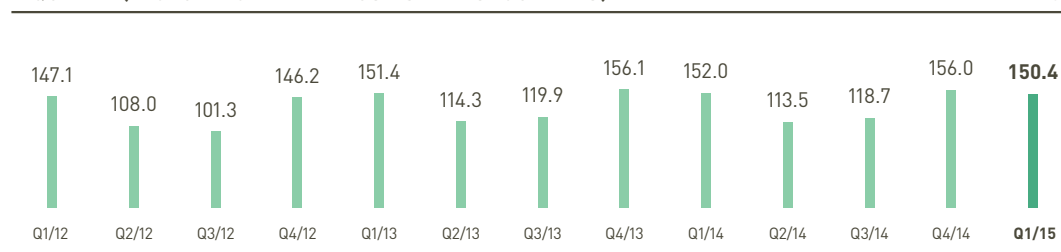
Development of the Assets

Non-current assets went down from €321.9 million to €317.3 million. Time deposits and securities underwent the greatest change, receding €10.0 million to €17.0 million (31 December 2014: €27.0 million). As some of the maturities are now below twelve months, these assets have been classified as current assets. Due to currency translation differences goodwill increased €5.4 million to €149.9 million. Our capitalisation ratio went up slightly to 31.8 per cent (31 December 2014: 31.7 per cent).

Current assets declined €13.2 million to €681.4 million. This item was affected especially by the seasonal drop in trade receivables. At €346.4 million, this item was €41.4 million below the figure of 31 December 2014. Year on year, our average DSO (days sales outstanding) in the first three months of 2015 increased from 38.4 days to 42.0 days. This was due to the higher amount of non-current receivables. Due to larger projects, inventories went up €15.0 million to €146.1 million. Due to decreasing maturities of assets previously classified as non-current as already mentioned above, short-term time deposits and securities increased €9.4 million. Cash and cash equivalents declined €5.1 million to €101.7 million. As of the balance sheet date, the total liquidity – the value of the cash and cash equivalents including short-term and long-term time deposits and securities – amounted to €150.4 million, only slightly less than the figure of 31 December 2014 of €156.0 million. In addition to the total liquidity, BECHTLE has a liquidity reserve of €37.2 million in the form of unused cash credit lines and guarantee credit lines.

LIQUIDITY (INCLUDING TIME DEPOSITS AND SECURITIES)

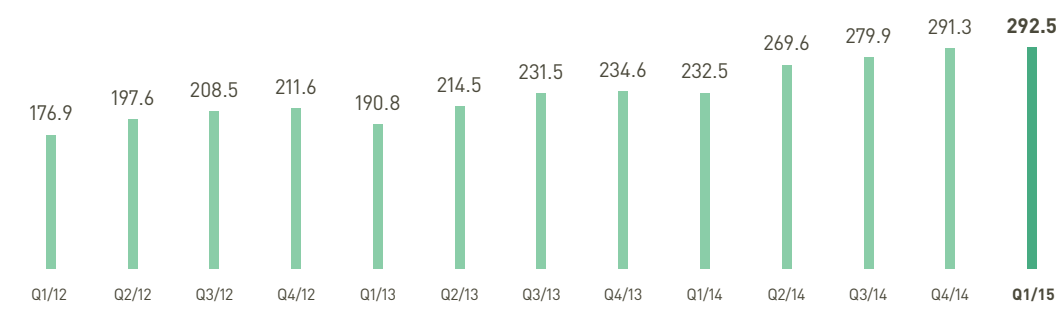
€m



In the first three months of 2015, the working capital increased from €291.3 million to €292.5 million, especially due to the higher inventories and lower trade payables. In relation to the balance sheet total, the working capital amounted to 29.3 per cent as of 31 March 2015, compared to 28.7 per cent as of 31 December 2014.

WORKING CAPITAL

€m



Development of the Equity and Liabilities

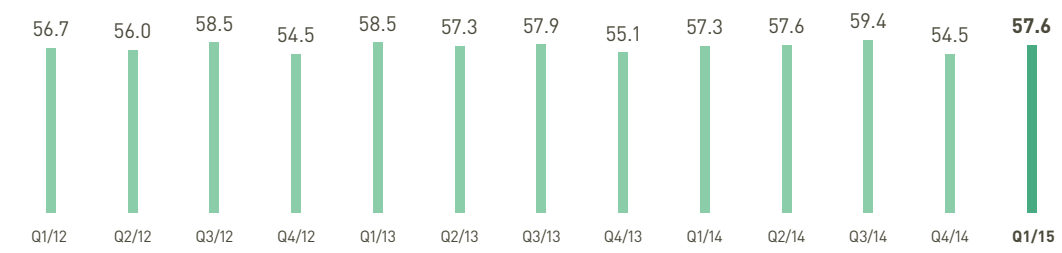
As of 31 March 2015, non-current liabilities amounted to €94.4 million, €1.5 million less than on 31 December 2014. Two items underwent major changes: Due to shorter maturities, financial liabilities dropped €2.2 million to €45.3 million. Due to currency translation differences pension provisions increased €1.7 million.

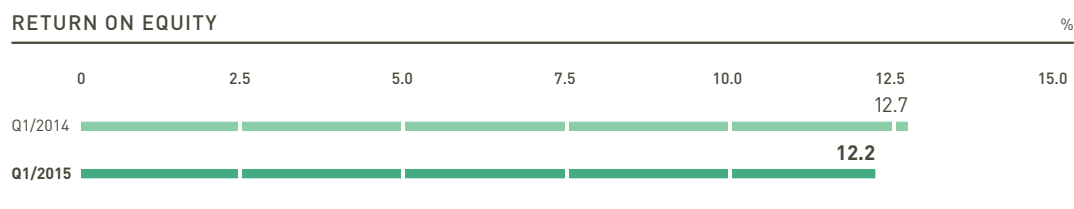
Current liabilities fell €38.0 million to €328.7 million. For seasonal reasons, trade payables dropped €22.9 million to €155.7 million. For reasons related to the reporting date, other liabilities dropped €16.4 million to €79.3 million. This was due mainly to the lower personnel liabilities and reduced VAT liabilities.

Thanks to the improved earnings position, the equity went up from €554.0 million to €575.7 million as of 31 March 2015. Therefore, our equity ratio increased considerably compared to 31 December 2014, reaching a value of 57.6 per cent (31 December 2014: 54.5 per cent). Based on the current earnings and the equity development, the extrapolated return on equity underwent a slight decrease, from 12.7 per cent in the corresponding prior-year quarter to 12.2 per cent in the period under review.

EQUITY RATIO

%





Due to the good development of the equity, the equity to non-current assets ratio climbed to 181.4 per cent as of 31 March 2015, compared to 172.1 per cent as of 31 December 2014. As BECHTLE'S liquidity exceeds its total financial liability, the group's net debt amounts to a negative value of minus €93.7 million, i.e. BECHTLE is debt-free. We were able to further reduce the dependence on external creditors. As of 31 March 2015, the debt ratio was 73.5 per cent, considerably lower than as of the end of the fiscal year 2014 (83.5 per cent).

KEY BALANCE SHEET FIGURES OF THE BECHTLE GROUP

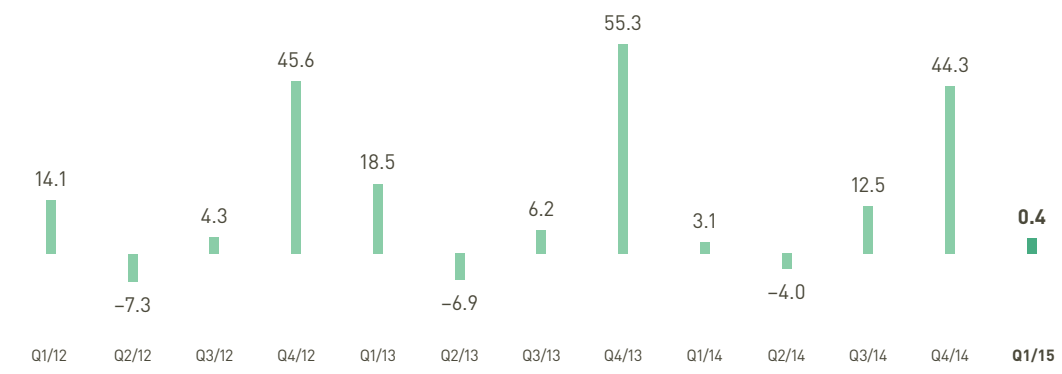
		31.03.2015	31.12.2014
Balance sheet total	€m	998.8	1,016.6
Cash and cash equivalents including time deposits and securities	€m	150.4	156.0
Equity	€m	575.7	554.0
Equity ratio	%	57.6	54.5
Equity to non-current assets ratio	%	181.4	172.1
Net debt	€m	-93.7	-95.8
Debt ratio	%	73.5	83.5
Working capital	€m	292.5	291.3

Development of the Cash Flow

Compared to the prior year, the net cash generated from ongoing business activities in the period from January to March 2015 dropped €2.7 million to €0.4 million. This was due mainly to changes in the net assets, which resulted in a cumulatively higher cash outflow than in the corresponding prior-year period. Though the cash inflow from the reduction of trade receivables increased, the cash outflows from the reduction of trade payables, income taxes paid and from the other net assets, especially the reduction of personnel liabilities, increased at a higher rate.

CASH FLOW FROM OPERATING ACTIVITIES

€m

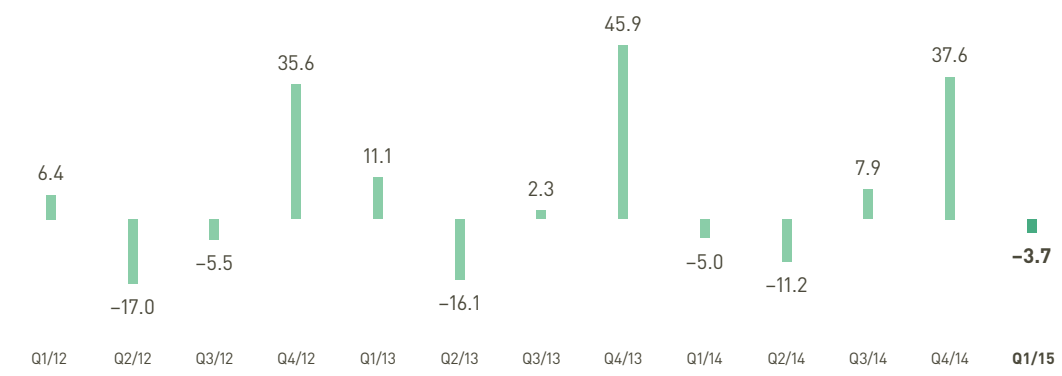


Year on year, the net cash used for investments in the first three months of 2015 dropped from €17.5 million to €3.4 million. This was particularly due to changes in time deposits and securities. Moreover, cash outflows for acquisitions had been effective in the prior year.

The cash flow from financing activities amounted to minus €5.1 million, €5.5 million above the prior-year value of plus €0.4 million. The change was mainly caused by the lower cash inflow from the raising of new financial liabilities.

FREE CASH FLOW

€m



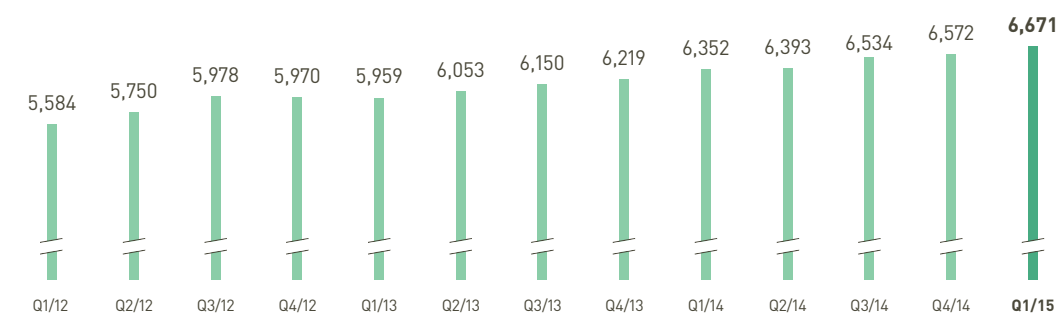
Compared to the corresponding prior-year quarter, the free cash flow from January to March improved, but remained negative. It amounted to minus €3.7 million (prior year: minus €5.0 million). In the previous year, this item was affected by payments for acquisitions.

EMPLOYEES

- Headcount continues to grow moderately
- Personnel expense ratio at prior-year level

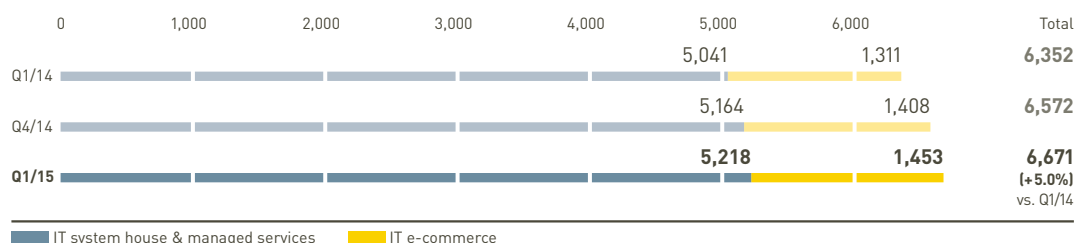
As of the reporting date 31 March 2015, the BECHTLE Group had a total of 6,671 employees, including 411 trainees. Compared to 31 March 2014, the number of employees increased by 319, a growth of 5.0 per cent. Compared to 31 December 2014, the headcount went up by 99. The increase of 1.5 per cent was made up exclusively of new recruitment.

EMPLOYEES IN THE GROUP



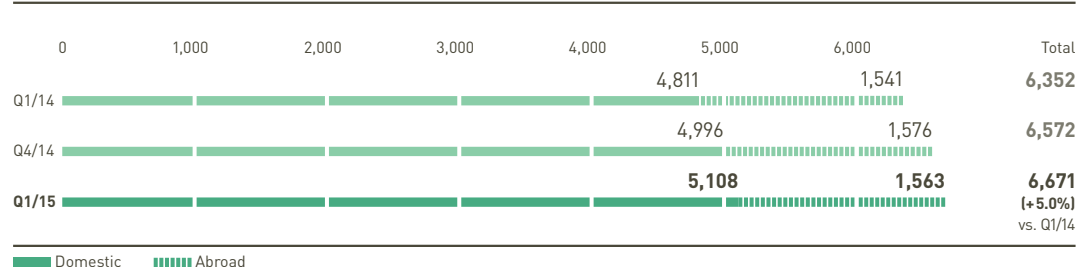
Following the strong revenue growth in the prior year, in the IT e-commerce segment, the number of employees went up by 45 compared to December 2014. Most of this 3.2 per cent increase took place in Germany. The system house segment recorded growth of 1.0 per cent in the number of employees. This increase only took place in the domestic system houses. However, the number of employees in the foreign system houses declined slightly.

EMPLOYEES BY SEGMENTS



At a total of 5,108 persons as of 31 March 2015, Germany still accounted for over three quarters of the workforce.

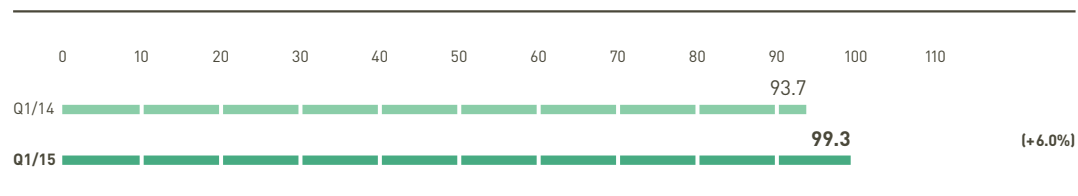
EMPLOYEES BY REGIONS



The average headcount in the group in the period from January to March 2015 amounted to 6,613, a total of 314 employees more than in the prior-year period.

In the period from January to March 2015, personnel and social expenses totalled €99.3 million, 6.0 per cent more than in the corresponding prior-year period (€93.7 million). The expense ratio remained constant at 16.0 per cent. Based on an average number of 6,077 full-time and part-time employees (prior year: 5,747), personnel and social expenses per employee also remained constant at €16.3 thousand.

PERSONNEL AND SOCIAL EXPENSES



As of the end of the reporting period, the group had 411 young trainees (prior year: 434), including 54 junior staff members abroad. The training quota in Germany amounted to 7.1 per cent as of the reporting date 31 March 2015 (prior year: 8.2 per cent). BECHTLE continues to attach young people to the company as early as possible. Thus, the number of high-school internships performed remains high. At our site in Neckarsulm alone, we welcomed 47 young people in the first quarter of 2015.

BECHTLE also attaches great importance to the advancement of junior executives. In March, twelve BECHTLE employees successfully completed our established junior management programme. A new round will start in May.

RESEARCH AND DEVELOPMENT

As a pure service and trading company, BECHTLE is not involved in any research activities. Software and application development activities are conducted primarily for internal purposes and only to a very limited extent. However, the software and application solutions division also offers customers the design, development and implementation of software, e.g. in SharePoint projects. In the reporting period, the scope of development services was insignificant.

OPPORTUNITIES AND RISKS

■ Risks from weak euro

■ Global IT alliance continues to grow

In line with the long-term focus of the strategy and business management of the BECHTLE Group, the opportunities and risks for the coming months are basically the same as those presented in the Annual Report 2014. In the course of the first quarter of 2015, no additional material opportunities or risks arose compared to the situation presented in the last Annual Report. Currently, no risks are known that could – individually or collectively – endanger the going concern. Apart from this, the changes in the risk situation and in the assessment of opportunities were as follows.



See
Annual Report 2014,
page 130 ff

As already described in the Annual Report, various hardware and software manufacturers are planning to increase their product prices in euros due to the euro weakness. To a certain extent, this has already taken place. It remains to be seen which manufacturers will actually increase their prices for which products, and how much. Thus, it is currently hard to ascertain how customers will react to potential price increases. In this area, the scenarios range from a decline in the willingness to invest and postponement of projects to no effects at all on the part of corporate customers.

In the IT e-commerce segment, we concluded two additional partnerships within the framework of our global IT alliance in the first quarter: Japan Business Systems, Inc., Tokyo, is our partner in Japan, and the South African Datacentrix Holdings Limited, headquartered in Midrand, is our first gateway to an African market. After the end of the reporting period, BECHTLE integrated a further cooperation partner in the network. Jardine OneSolution Limited, which is headquartered in Hong Kong and has 13 more locations in southeast Asia, gives the alliance access to important markets in southeast Asia. These partnerships provide BECHTLE with opportunities for promoting the internationalisation of our trading business. In this way, BECHTLE is able to accommodate the increase in enquiries from European businesses that need comprehensive customer care in Europe and beyond. By way of its network partners, BECHTLE also comes in contact with new customers who can procure hardware, software and services from BECHTLE in Europe. Therefore, we intend to further expand our cooperation with partners inside and outside Europe. These and other partnerships that may be established in the future complement previous internationalisation measures and thus represent a key element of the strategic positioning on the path to the Vision 2020.

Apart from this, the first quarter of 2015 did not see any new circumstances that would have resulted in a change of the risk position or the evaluation of opportunities.

SHARE

■ Stock market picking up despite crises

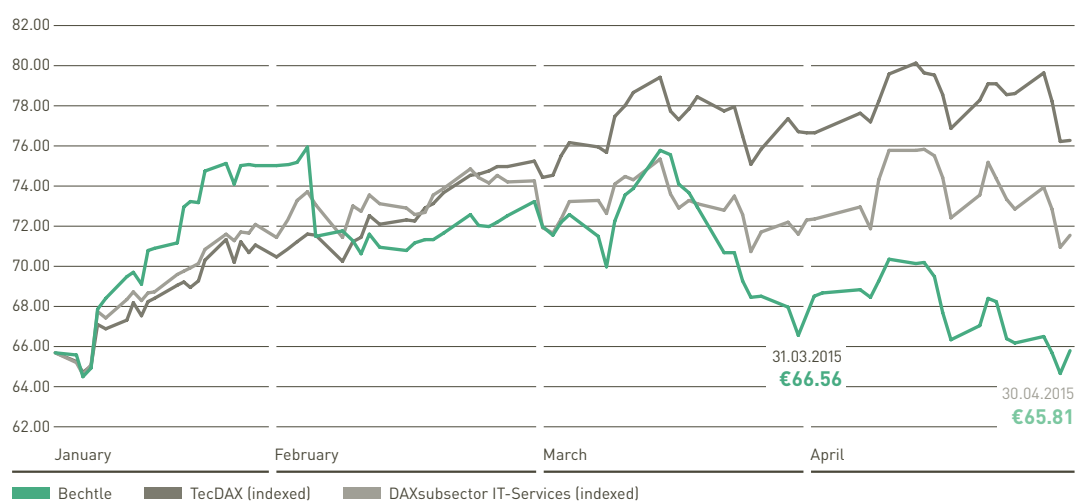
■ Bechtle share undergoes volatile development

Despite the conflicts in Ukraine and in the Middle East, as well as the wearisome negotiations between Greece and the European Union, the stock markets picked up significantly in the course of the first quarter of 2015. This was mainly due to the relaxed monetary policy of the European Central Bank and the slightly improving economic data. Thus, the DAX broke record after record, passed the mark of 12,000 for the first time on 16 March, and closed the quarter with a gain of 22.5 per cent. The TecDAX, too, attained new records and gained 16.9 per cent by 31 March.

Initially, the BECHTLE share was able to carry over the momentum from the fiscal year ended. After it had started into the New Year with a closing price of €65.67, our share reached its quarterly low of €64.49 on 6 January, but picked up significantly in the course of January, reaching its quarterly and all-time high of €75.97 on 5 February. In February, the price settled at values around €71.00, following substantial profit-taking. This was followed by a volatile phase, in which our share approached the quarterly high, but eventually dropped to values under €70.00. On 31 March, the BECHTLE share reached a closing price of €66.56, thus recording a gain of 1.4 per cent in the first quarter.

THE BECHTLE SHARE – PERFORMANCE FROM JANUARY TO APRIL 2015

€



On average, 57,923 shares were traded every trading day in the first quarter of 2015, compared to 54,706 shares in the prior year. The daily turnover averaged €4,150,769, a year-on-year increase of more than €1,000,000. In the TecDAX ranking of Deutsche Börse, BECHTLE ranked 16th in terms of the stock exchange turnover, four places better than in the prior year. In terms of market cap, the company ranked 12th (prior year: 14th).

TRADING DATA OF THE BECHTLE SHARE

		Q1/2015	Q1/2014	Q1/2013	Q1/2012	Q1/2011
Closing price at beginning of quarter	€	65.67	49.33	30.93	26.42	30.39
Closing price at end of quarter	€	66.56	62.53	36.24	33.40	29.83
High (closing price)	€	75.97	62.53	38.49	34.18	30.99
Low (closing price)	€	64.49	49.33	30.07	25.50	26.31
Performance – absolute	€	+0.89	+13.20	+5.31	+6.98	–0.56
Performance – relative	%	+1.4	+26.8	+17.2	+26.4	–1.8
Market cap – total ¹	€m	1,397.8	1,313.1	761.0	701.4	626.4
Avg. turnover/trading day ²	shares	57,923	54,706	38,319	53,798	33,202
Avg. turnover/trading day ²	€	4,150,769	3,072,235	1,335,724	1,593,279	946,245

Xetra price data

¹ As of 31 March

² All German stock exchanges

EARNINGS PER SHARE

		Q1/2015	Q1/2014	Change
Earnings after taxes	€k	15,734	14,802	+6.3%
Avg. number of shares	th. shares	21,000	21,000	
Earnings per share	€	0.75	0.70	+6.3%

Since its IPO in 2000, BECHTLE has been pursuing a dividend policy focused on reliability. Dividend continuity is very important to our shareholders. Therefore, the shareholders are to duly participate in the company's success in this year, too. For the fiscal year 2014, the Executive and the Supervisory Boards propose to the General Meeting on 16 June 2015 to pay out a dividend of €1.20. In the prior year, BECHTLE AG had paid out a dividend of €1.10. Subject to the approval of the General Meeting, the payout proposal would correspond to a €0.10 increase of the dividend. In relation to the quarterly closing price, the dividend yield is 1.8 per cent (prior year: 1.8 per cent).

DIVIDEND

		2014	2013
Dividend ¹	€	1.20	1.10
Dividend payout ratio ¹	%	33.1	36.4
Dividend yield ²	%	1.8	1.8

¹ Subject to approval of the General Meeting

² As of 31 March

FORECAST



Events after the
reporting period,
see Notes
page 40

■ Economic development remains stable

■ Sub-segments of the IT market heterogeneous

Macroeconomy



ecb.europa.eu

According to the forecasts of the European Commission, the economy in the EU will be able to further expand its growth dynamics. In the second and third quarters, the growth is expected to increase slightly and reach a level of 0.5 per cent. In the fourth quarter, the growth rate is to amount to 0.6 per cent. Among the EU countries in which BECHTLE is present, the bandwidth of growth rates for the second quarter ranges from 0.2 per cent in Belgium and Italy to 0.8 per cent in Poland and Spain. GDP growth of 1.8 per cent is expected for 2015 as a whole. In 2015, investments in equipment are to go up 3.3 per cent throughout the EU.



seco.admin.ch

Following the discontinuation of the minimum exchange rate to the euro in January 2015 and the subsequent appreciation of the Swiss franc, the growth forecasts for Switzerland were lowered. According to estimates of the Swiss State Secretariat for Economic Affairs (SECO), the GDP growth in 2015 is now merely expected to amount to 0.9 per cent (forecast of December 2014: 2.1 per cent). Investments in equipment are to increase at a slightly higher rate of 1.5 per cent (December forecast: 3.0 per cent).

In the coming quarters, the economic performance in Germany is expected to be slightly weaker than the performance in the EU. The growth is to amount to 0.4 per cent in the second quarter, to 0.3 per cent in the third quarter and to 0.4 per cent again in the fourth quarter. For 2015 as a whole, current forecasts project GDP growth of 1.5 to 2.2 per cent for Germany. According to the European Commission, investments in equipment are to go up 2.1 per cent.

Industry



eito.com

For the IT market, the forecast of the EITO market research institute of November 2014 had predicted growth of 1.9 per cent for the EU and of 2.0 per cent for Germany in the year 2015. Hardware sales were predicted to drop significantly. A more recent EITO forecast for Germany is more optimistic and predicts growth of 2.8 per cent for the IT market. The reason for this is that the situation on the hardware market is no longer viewed as pessimistically as previously. While the decline in November was still at 4.6 per cent, a minus of 1.6 per cent is now being predicted. Following the strong PC sales in the prior year, desktop PC sales are experiencing a two-digit decline. All other product groups relevant to BECHTLE are expected to grow. Service revenues in Germany are still expected to grow 3.0 per cent, and software will be a growth driver with an increase of 5.7 per cent.

Performance of the Bechtle Group

In the first quarter, BECHTLE benefited from the impulses of the macroeconomy and of the industry, and grew faster than the market. At least in Germany, however, the challenging situation in the e-commerce business was noticeable. All in all, the figures are within the target range of our expectations for 2015 as a whole.

Therefore, we confirm our forecast. We still anticipate significant revenue and earnings growth in 2015. However, we do not think that we will be able to repeat the same growth dynamics as in the prior year. We intend to slightly increase our EBT margin.

Acquisitions are, and will remain, a fixed element of our growth strategy. We continually evaluate potential acquisition targets. For this, we consider both smaller and larger enterprises. We believe that in 2015, we will more actively resume our role as industry consolidator for the purpose of supplementing our regional positioning or to complement our competence profile.

Irrespective of acquisitions, we plan a further headcount increase for 2015. The continuous increase in the number of employees mainly serves the realisation of growth and thus the medium-term to long-term further development of BECHTLE. We expect the dynamics of the headcount increase to grow at a slightly lower rate than the revenue.

In the IT e-commerce segment, we do not plan to establish any new companies in the short run. After the successful agreements that we have entered into so far in our global IT alliance, our main objective is to further develop our international network.

BECHTLE'S sustainable earnings power and stable liquidity base provide the company with the funds needed for continuing to realise the planned growth in the future as well. There are no plans for material changes to our company structure and organisation, or to our business targets and strategies.

Neckarsulm, 12 May 2015

BECHTLE AG
The Executive Board

CONSOLIDATED INCOME STATEMENT

	€k	
	01.01 – 31.03.2015	01.01 – 31.03.2014
Revenue	622,450	586,696
Cost of sales	528,558	499,281
Gross profit	93,892	87,415
Distribution costs	42,990	39,886
Administrative expenses	32,718	29,338
Other operating income	4,317	2,970
Earnings before interest and taxes	22,501	21,161
Financial income	648	424
Financial expenses	674	753
Earnings before taxes	22,475	20,832
Income taxes	6,741	6,030
Earnings after taxes (attributable to shareholders of Bechtle AG)	15,734	14,802
Net earnings per share (basic and diluted) in €	0.75	0.70
Weighted average shares outstanding (basic and diluted) in thousands	21,000	21,000


 See
 further comments
 in the Notes,
 in particular IV.,
 page 30 f

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	€k	
	01.01 – 31.03.2015	01.01 – 31.03.2014
Earnings after taxes	15,734	14,802
Other comprehensive income		
Items that will not be reclassified to profit or loss in subsequent periods		
Actuarial gains and losses on pension provisions	-2,169	-55
Income tax effects	393	9
Items that will be reclassified to profit or loss in subsequent periods		
Unrealised gains and losses on securities	-17	-95
Income tax effects	0	8
Unrealised gains and losses on financial derivatives	2,305	212
Income tax effects	-657	-56
Currency translation differences of net investments in foreign operations	0	18
Income tax effects	0	0
Hedging of net investments in foreign operations	-7,445	-606
Income tax effects	2,205	177
Currency translation differences	11,328	461
Other comprehensive income	5,943	73
of which income tax effects	1,941	138
Total comprehensive income (attributable to shareholders of Bechtle AG)	21,677	14,875



See
further comments
in the Notes,
in particular IV. and V.,
page 31 ff

CONSOLIDATED BALANCE SHEET

ASSETS

€k

	31.03.2015	31.12.2014	31.03.2014
Non-current assets			
Goodwill	149,930	144,499	144,326
Other intangible assets	19,450	19,980	22,763
Property, plant and equipment	103,753	104,224	101,703
Trade receivables	19,853	19,774	1,475
Income tax receivables	29	57	84
Deferred taxes	4,421	3,722	3,777
Other assets	2,884	2,676	2,693
Time deposits and securities	17,013	27,008	33,538
Total non-current assets	317,333	321,940	310,359
Current assets			
Inventories	146,129	131,165	122,733
Trade receivables	346,410	387,828	307,298
Income tax receivables	1,772	1,196	1,916
Other assets	53,756	45,469	40,555
Time deposits and securities	31,690	22,272	26,588
Cash and cash equivalents	101,663	106,720	91,899
Total current assets	681,420	694,650	590,989
Total assets	998,753	1,016,590	901,348



See
further comments
in the Notes,
in particular V.,
page 32 f

EQUITY AND LIABILITIES

€k

	31.03.2015	31.12.2014	31.03.2014
Equity			
Issued capital	21,000	21,000	21,000
Capital reserves	145,228	145,228	145,228
Retained earnings	409,445	387,768	350,212
Total equity	575,673	553,996	516,440
Non-current liabilities			
Pension provisions	13,704	11,990	6,433
Other provisions	4,859	4,836	2,767
Financial liabilities	45,337	47,522	52,287
Trade payables	363	269	473
Deferred taxes	16,417	17,266	16,311
Other liabilities	2,272	2,652	2,292
Deferred income	11,420	11,343	10,735
Total non-current liabilities	94,372	95,878	91,298
Current liabilities			
Other provisions	5,556	6,239	5,475
Financial liabilities	11,335	12,711	13,018
Trade payables	155,730	178,644	150,128
Income tax payables	6,641	6,418	6,356
Other liabilities	79,272	95,695	66,967
Deferred income	70,174	67,009	51,666
Total current liabilities	328,708	366,716	293,610
Total equity and liabilities	998,753	1,016,590	901,348

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

€k

	Issued capital	Capital reserves	Retained earnings		Total	Total equity (attributable to shareholders of Bechtle AG)
			Accrued profits	Changes in equity outside profit or loss		
Equity as of 1 January 2014	21,000	145,228	334,438	899	335,337	501,565
Earnings after taxes			14,802		14,802	14,802
Other comprehensive income				73	73	73
Total comprehensive income	0	0	14,802	73	14,875	14,875
Equity as of 31 March 2014	21,000	145,228	349,240	972	350,212	516,440
Equity as of 1 January 2015	21,000	145,228	387,532	236	387,768	553,996
Earnings after taxes			15,734		15,734	15,734
Other comprehensive income				5,943	5,943	5,943
Total comprehensive income	0	0	15,734	5,943	21,677	21,677
Equity as of 31 March 2015	21,000	145,228	403,266	6,179	409,445	575,673



See further
comments
in the Notes,
in particular V.,
page 32f

CONSOLIDATED CASH FLOW STATEMENT

	€k	
	01.01 – 31.03.2015	01.01 – 31.03.2014
Operating activities		
Earnings before taxes	22,475	20,832
Adjustment for non-cash expenses and income		
Financial earnings	26	329
Depreciation and amortisation of intangible assets and property, plant and equipment	6,032	5,476
Gains and losses on disposal of intangible assets and property, plant and equipment	-2	-4
Other non-cash expenses and income	-2,472	71
Changes in net assets		
Changes in inventories	-14,263	-14,968
Changes in trade receivables	47,924	39,921
Changes in trade payables	-26,208	-23,994
Changes in deferred income	2,014	4,142
Changes in other net assets	-27,854	-22,190
Income taxes paid	-7,282	-6,539
Cash flow from operating activities	390	3,076
Investing activity		
Cash paid for acquisitions less cash acquired	0	-3,241
Cash received from divestments	236	0
Cash paid for investments in intangible assets and property, plant and equipment	-5,008	-4,879
Cash received from the sale of intangible assets and property, plant and equipment	646	66
Cash paid for the acquisition of time deposits and securities	-8,000	-10,000
Cash received from the sale of time deposits and securities, and from redemptions of non-current assets	8,400	23
Interest payments received	372	508
Cash flow from investing activities	-3,354	-17,523
Financing activities		
Cash paid for the repayment of financial liabilities	-4,699	-3,246
Cash received from the assumption of financial liabilities	258	4,353
Interest paid	-617	-715
Cash flow from financing activities	-5,058	392
Exchange-rate-related changes in cash and cash equivalents	2,965	116
Changes in cash and cash equivalents	-5,057	-13,939
Cash and cash equivalents at the beginning of the period	106,720	105,838
Cash and cash equivalents at the end of the period	101,663	91,899



See
further comments
in the Notes,
in particular VI.,
page 34

NOTES

I. GENERAL DISCLOSURES

BECHTLE AG, Bechtle Platz 1, 74172 Neckarsulm, Germany, is a listed company and as such required under Section 315a of the German Commercial Code (HGB) to prepare its consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and as endorsed by the EU. Accordingly, this interim financial report as of 31 March 2015 has been prepared in accordance with the IFRS.

In accordance with IAS 34, the scope of the presentation used in this interim financial report as of 31 March 2015 is significantly reduced compared to the consolidated financial statements as of the end of the fiscal year. Additionally, the requirements of the German Accounting Standard No. 16 (DRS 16) and the Stock Exchange Rules and Regulations of the Frankfurt stock exchange that exceed IAS 34 have been taken into consideration and fully met.

Our business activity is subject to certain seasonal fluctuations during the year. In the past, the revenue and earnings contributions tended to be at their lowest in the first quarter and at their highest in the fourth quarter due to the traditionally strong year-end business. Therefore, the interim results only qualify as indicators for the results of the fiscal year as a whole to a limited extent.

II. KEY PRINCIPLES OF ACCOUNTING AND CONSOLIDATION



efrag.org

In the period under review, BECHTLE adopted the new and revised standards and interpretations of the following new accounting pronouncements, which had been published by the IASB/IFRIC and endorsed by the EU, for the first time. The effective dates specified for the mandatory adoption also originate from the respective EU directive:

Pronouncement	Publication by IASB/IFRIC	Endorsement (EU)	Effective date (EU) ¹
Voluntary adoption of pronouncements ahead of time			
Amendments to IAS 19 Employee Benefits	20 November 2013	17 December 2014	1 February 2015
Amendments to IFRS: Improvements to International Financial Reporting Standards, 2010–2012 Cycle	12 December 2013	17 December 2014	12 January 2015

¹ Must be adopted at the latest at the beginning of the first fiscal year commencing on or after the said date.

Amendments to IAS 19 Employee Benefits. The amendments to IAS 19 simplify the accounting for certain employee contributions. If the employee contributions are independent of the number of years of service, the said contributions may be deducted from the service cost in the period in which the related service is rendered. For BECHTLE, the adoption of these amendments does not have any consequences regarding the assets, earnings and financial position and their presentation.

Amendments to IFRS: Improvements to International Financial Reporting Standards, 2010–2012 Cycle.

Within the framework of the annual amendment procedure, amendments of a minor scope and urgency are collected and issued once a year in a single omnibus standard. These amendments primarily concern the elimination of inconsistencies between various standards and fuzzy formulations. For BECHTLE, these amendments to the IFRS do not result in any significant consequences regarding the assets, earnings and financial position and their presentation.

BECHTLE had already adopted the new and amended standards and interpretations whose adoption is mandatory for the fiscal year 2015 ahead of time for the consolidated financial statements for the fiscal year 2014.



[bechtle.com/
reports](http://bechtle.com/reports)

In this interim financial report, the same key principles of accounting and consolidation were applied as in the consolidated financial statements for the fiscal year 2014. For further information, please refer to the consolidated financial statements as of 31 December 2014, which form the basis for these interim financial statements.

In accordance with IAS 34, the determination of the tax expense in the interim period takes place on the basis of the effective tax rate expected for the entire fiscal year. Taxes related to extraordinary events are taken into consideration in the quarter in which the underlying event occurs.

III. SCOPE OF CONSOLIDATION

The scope of consolidation comprises BECHTLE AG in Neckarsulm and all subsidiaries in which it holds a controlling interest. As in the prior year, BECHTLE AG directly or indirectly holds all interests and voting rights in all consolidated companies. As of 31 March 2015, the scope of consolidation had not undergone any significant changes compared to 31 December 2014.

IV. NOTES TO THE INCOME STATEMENT AND TO THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Expense Structure

	Cost of sales		Distribution costs		Administrative expenses	
	01.01 – 31.03.2015	01.01 – 31.03.2014	01.01 – 31.03.2015	01.01 – 31.03.2014	01.01 – 31.03.2015	01.01 – 31.03.2014
Material costs	471,929	444,367	0	0	0	0
Personnel and social expenses	43,898	42,713	34,197	31,788	21,230	19,164
Depreciation and amortisation	2,797	2,608	1,447	1,265	1,788	1,603
Other operating expenses	9,934	9,593	7,346	6,833	9,700	8,571
Total expenses	528,558	499,281	42,990	39,886	32,718	29,338

€k



See

Segment reporting,
income statement,
page 38

The year-on-year increase of all cost types was mainly caused by the much higher business volume in the reporting period.

The material costs include net expenses of €50 thousand from exchange rate fluctuations (prior year: net €19 thousand income).

Other Operating Income

Other operating income mainly consisted of marketing grants and other payments from suppliers amounting to €3,234 thousand (prior year: €2,698 thousand).

In the first quarter of 2015, part of a hedge of purchasing prices, which had been designated as a cash-flow hedge according to IAS 39, was reversed. This resulted in other income amounting to €800 thousand. The reversal became necessary after the purchasing contract underlying the hedge had been renegotiated.

Financial Income and Financial Expenses

The financial income comprises income from call money, time deposits and financial receivables. Due to the higher income from the interest on non-current trade receivables the financial income increased compared to the corresponding prior-year quarter. In the fiscal year ended, non-current trade receivables had risen considerably.

The financial expenses mainly include interest paid for the financial liabilities. The year-on-year decline in financial expenses occurred due to the lower loan liabilities.

Earnings per Share

The table below shows the calculation of the earnings after taxes per share that are due to the shareholders of BECHTLE AG:

		01.01 – 31.03.2015	01.01 – 31.04.2014
Earnings after taxes	€k	15,734	14,802
Average number of outstanding shares		21,000,000	21,000,000
Earnings per share	€	0.75	0.70

According to IAS 33, the earnings per share are determined on the basis of the earnings after taxes (due to the shareholders of BECHTLE AG) and the average number of shares in circulation in the year. Treasury shares would reduce the number of outstanding shares accordingly. The basic earnings per share are identical to the diluted earnings per share.

Other Comprehensive Income

Other comprehensive income was mainly affected by the development of the euro/Swiss franc exchange rate. Unlike the corresponding prior-year period, in which the value of the Swiss franc had increased only marginally against the euro, the value of the Swiss currency increased significantly in the first three months of 2015 due to the discontinuation of the minimum exchange rate by the Swiss National Bank.



See page 23

Apart from this, the other comprehensive income was influenced by the hedging of the currency risk for future goods purchases in USD, purchasing prices that depend on the exchange rate as well as the hedging of the interest rate risk of loans with variable interest rates, which were accounted for as cash flow hedges. These hedges can be considered as effective even in the case of realistic deviations from the plan. In the reporting quarter, the value of the USD increased considerably against the EUR. In the reporting period, ineffectiveness in the amount of -€32 thousand (prior year: -€7 thousand), which had resulted from the time differences between the maturities of the transactions and the associated liabilities, was recognised under financial earnings.



See
Annual Report 2014,
page 221 ff

Details on the composition of the other comprehensive income, which is recognised outside profit or loss, with respect to the change that this item underwent and its accumulated balance are presented in section V. "Notes to the Balance Sheet and to the Statement of Changes in Equity".



See page 32 f

V. NOTES TO THE BALANCE SHEET AND TO THE STATEMENT OF CHANGES IN EQUITY

Assets

The reduction of the trade receivables in the reporting period resulted from seasonal fluctuations during the year, with a high-revenue final quarter. The rise in inventories was necessitated by the further increased business volume. Likewise, the increase in other assets, especially the higher accrued income, was the result of the increased business volume.

Equity

Retained Earnings



Dividends paid

On 16 June 2015, the Executive Board and the Supervisory Board will propose to the Annual General Meeting to use the net profit for the fiscal year 2014 amounting to €25,200 thousand for distributing a dividend amounting to €1.20 per no-par share with dividend entitlement. Subject to the approval of the Annual General Meeting, the dividend will be paid out on 17 June 2015.

In terms of its accumulated balance as of the balance sheet date and its change during the period under review, the other comprehensive income that is to be recognised outside profit or loss was composed as follows:

	31.03.2015			31.03.2014		
	Before taxes	Income tax effects	After taxes	Before taxes	Income tax effects	After taxes
Actuarial gains and losses on pension provisions	-17,043	3,146	-13,897	-14,874	2,753	-12,121
Unrealised gains and losses on securities	24	-2	22	41	-2	39
Unrealised gains and losses on financial derivatives	5,017	-1,475	3,542	2,712	-818	1,894
Currency translation differences of net investments in foreign operations	0	0	0	0	0	0
Hedging of net investments in foreign operations	-17,572	5,155	-12,417	-10,127	2,950	-7,177
Currency translation differences	28,929	0	28,929	17,601	0	17,601
Other comprehensive income	-645	6,824	6,179	-4,647	4,883	236

€k

€k

	01.01 – 31.03.2015			01.01 – 31.03.2014		
	Before taxes	Income tax effects	After taxes	Before taxes	Income tax effects	After taxes
Items that will not be reclassified to profit or loss in subsequent periods						
Actuarial gains and losses on pension provisions	-2,169	393	-1,776	-55	9	-46
Items that will be reclassified to profit or loss in subsequent periods						
Unrealised gains and losses on securities	-17	0	-17	-95	8	-87
Gains and losses that arose in the current period	-16	0	-16	-95	8	-87
Reclassifications to profit and loss	-1	0	-1	0	0	0
Unrealised gains and losses on financial derivatives	2,305	-657	1,648	212	-56	156
Gains and losses that arose in the current period	3,984	-1,154	2,830	-7	8	1
Reclassifications to profit and loss	-1,679	497	-1,182	219	-64	155
Currency translation differences of net investments in foreign operations	0	0	0	18	0	18
Gains and losses that arose in the current period	0	0	0	18	0	18
Reclassifications to profit and loss	0	0	0	0	0	0
Hedging of net investments in foreign operations	-7,445	2,205	-5,240	-606	177	-429
Gains and losses that arose in the current period	-7,445	2,205	-5,240	-606	177	-429
Reclassifications to profit and loss	0	0	0	0	0	0
Currency translation differences	11,328	0	11,328	461	0	461
Other comprehensive income	4,002	1,941	5,943	-65	138	73

Liabilities

The decline in trade payables and in current other liabilities was mainly caused by the usual seasonal fluctuations during the year, with a high-revenue final quarter.

The financial liabilities declined by the scheduled repayments of the existing loans.



For further details
of the loans, see
Annual Report 2014,
page 213 f

VI. NOTES TO THE CASH FLOW STATEMENT

The higher inflow of trade receivables could not compensate the higher outflow. The higher outflow was caused by the reduction of trade payables, other liabilities, especially personnel liabilities, and payments for the purchase of other net assets.

The cash flow from investing activities is marked by the cash flows in connection with time deposits and securities. In the first quarter of 2015, the time deposits and securities that reached maturity were reinvested. No time deposits and securities had reached maturity in the corresponding prior-year period, but cash and cash equivalents had been invested in time deposits and securities. The reporting period did not see any purchase price payments for acquired companies. The inflows from interest income attributable to non-current trade receivables are presented in the operating cash flow.

The cash flow from financing activities is determined by the cash flows within the scope of debt financing. In the reporting period, the outflows for repayments increased, while the inflows from the assumption of new financial liabilities were lower.

VII. OPERATING LEASES

The future minimum lease payments from rental and leasing contracts classified as operating leases according to IAS 17 amounted to €67,789 thousand as of 31 March 2015 (31 December 2014: €68,620 thousand).

	€k	
	31.03.2015	31.12.2014
Due within one year	26,419	26,136
Due between one and five years	35,749	36,582
Due after five years	5,621	5,902
Total minimum lease payments	67,789	68,620

VIII. FINANCE LEASES

As of the reporting date, the trade receivables contained finance leasing receivables amounting to €11,639 thousand (31 December 2014: €9,787 thousand). The reconciliation of the net investment accounted for with the gross investment under consideration of the residual value amounting to zero is presented in the following table.

	31.03.2015		
	Repayment	Interest	Lease payments
Due within one year	2,496	1,293	3,789
Due between one and five years	9,143	2,308	11,451
Due after five years	0	0	0
Minimum lease payments	11,639	3,601	15,240

The interest share of the lease payments corresponds to the not yet realised financial income. The leasing receivables do not contain any impairment.

IX. FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial assets and liabilities (financial instruments) are classified according to IFRS 7. The allocation of the financial instruments contained in the individual balance sheet items in this interim financial report corresponds to the allocation in the Annual Report 2014.



See
Annual Report 2014,
page 192 ff and page 218 f

According to IFRS 13, the measurement methods are divided into the following three levels, depending on the key parameters on which the measurement is based:

- Level 1: Measurement at prices (not adjusted) quoted on active markets for identical assets and liabilities
- Level 2: Measurement of the asset or liability takes place either directly or indirectly on the basis of observable input data, which do not represent quoted prices as stated in Level 1
- Level 3: Measurement is based on models using input parameters not observable on the market

The following table compares the carrying amounts and fair value of the financial instruments for the classes of financial instruments according to IFRS 7 and their measurement level according to IFRS 13:

€k						
Class pursuant to IFRS 7	Measurement category	Carrying amount 31.03.2015	Fair value 31.03.2015	Carrying amount 31.12.2014	Fair value 31.12.2014	Level
Assets						
Non-current trade receivables	LAR	10,710	10,762	11,501	11,478	3
Long-term leasing receivables	IAS 17	9,143	10,844	8,273	10,118	3
Current trade receivables	LAR	343,914	343,914	386,314	386,314	3
Current leasing receivables	IAS 17	2,496	2,496	1,514	1,514	3
Securities	AFS	5,544	5,544	9,007	9,007	1
Time deposits						
Bond loans	LAR	25,050	25,401	30,188	30,520	2
Fixed-term deposits	LAR	13,007	12,991	5,005	4,990	2
Insurances	LAR	5,102	5,164	5,080	5,151	3
Other financial assets	LAR	21,750	21,750	25,333	25,333	3
Long-term lending	LAR	550	592	550	593	3
Financial derivatives						
Derivatives with hedge relationship	n/a	5,044	5,044	2,909	2,909	2
Derivatives without hedge relationship	FAFVPL	159	159	70	70	2
Cash and cash equivalents	LAR	101,663	101,663	106,720	106,720	1
Equity and liabilities						
Loans	FLAC	56,672	66,776	60,233	67,272	2
Non-current trade payables	FLAC	363	362	269	272	3
Current trade payables	FLAC	155,730	155,730	178,644	178,644	3
Other financial liabilities	FLAC	48,892	48,892	61,417	61,417	3
Liabilities resulting from acquisitions	FLFVPL	2,753	2,753	2,740	2,740	3
Financial derivatives						
Derivatives with hedge relationship	n/a	7,620	7,620	109	109	2
Derivatives without hedge relationship	FLFVPL	1,751	1,751	192	192	2
Thereof aggregated according to valuation category pursuant to IAS 39						
	LAR	521,746	522,237	570,691	571,099	
	AFS	5,544	5,544	9,007	9,007	
	FLAC	261,657	271,760	300,563	307,605	
	FAFVPL	159	159	70	70	
	FLFVPL	4,504	4,504	2,932	2,932	

Abbreviations used for the measurement categories of IAS 39:

LAR = Loans and receivables

AFS = Available-for-sale financial assets

FLAC = Financial liabilities at amortised cost

FAFVPL = Financial assets measured at fair value through profit and loss

FLFVPL = Financial liabilities measured at fair value through profit and loss

Except for the following class, the definitions and measurement methods correspond to those described in the Annual Report 2014:

As of 31 December 2014, **fixed-term deposits** within the time deposits were presented in the category of bond loans. The fair values of fixed-term deposits and bond loans are calculated in the same way. The fair values correspond to the present values of the cash flows under consideration of the risk-weighted interest rates appropriate for the periods plus creditworthiness impairment.

During the reporting period until 31 March 2015, there were no reclassifications between measurements at fair value of Level 1 and Level 2 and no reclassifications to or from measurements at fair value of Level 3.

Liabilities resulting from acquisitions are conditional, additional purchase price payments (earn-outs) for acquisitions (IFRS 3.58). During the reporting period, the calculation methodology and sensitivities did not undergo any material changes.



See
Annual Report 2014,
page 219

Liabilities from acquisitions developed as follows:

								€k
		Total gains and losses						
		Included in financial earnings	Included in other comprehensive income	Included in other operating income	Additions	Compen- sation/ settlement	Reclassi- fication	
Financial assets and liabilities in Level 3	01.01.2015							31.03.2015
Liabilities resulting from acquisitions	2,740	13	0	0	0	0	0	2,753

The €13 thousand posted as expenses under financial earnings were fully attributable to future payments accounted for as of 31 March 2015.

X. SEGMENT INFORMATION

The segment information is presented on the basis of the same principles as in the consolidated financial statements for the fiscal year 2014.

By segments	01.01 – 31.03.2015			01.01 – 31.03.2014		
	IT system house & managed services	IT e-commerce	Group	IT system house & managed services	IT e-commerce	Group
Total segment revenue	403,173	220,224		387,039	200,406	
less intersegment revenue	-547	-400		-599	-150	
Revenue	402,626	219,824	622,450	386,440	200,256	586,696
Depreciation and amortisation	-3,455	-1,537	-4,992	-3,488	-975	-4,463
Segment result	17,568	5,973	23,541	14,681	7,493	22,174
Amortisation from acquisitions	-1,040	0	-1,040	-1,013	0	-1,013
Earnings before interest and taxes	16,528	5,973	22,501	13,668	7,493	21,161
Financial earnings			-26			-329
Earnings before taxes			22,475			20,832
Income taxes			-6,741			-6,030
Earnings after taxes			15,734			14,802
Investments	3,224	1,451	4,675	4,960	1,358	6,318
Investments through acquisitions	-2,069	0	-2,069	8,799	0	8,799

By regions	01.01 – 31.03.2015			01.01 – 31.03.2014		
	Domestic	Abroad	Group	Domestic	Abroad	Group
Revenue	410,227	212,223	622,450	395,298	191,398	586,696
Investments	3,477	1,198	4,675	5,210	1,108	6,318
Investments through acquisitions	0	-2,069	-2,069	3,627	5,172	8,799



Segment information
on employees,
see page 39

As the total segment assets are not part of the internal reporting, this information is not disclosed in the notes in the quarterly reports in accordance with IAS 34.16Agiv.

XI. EMPLOYEES

The employee numbers were as follows:

	31.03.2015	31.12.2014	01.01 – 31.03.2015	01.01 – 31.03.2014
Full-time and part-time employees	6,148	5,995	6,077	5,747
Trainees	411	455	421	442
Employees on parental leave	112	122	115	110
Temporary staff	235	228	234	209
Total	6,906	6,800	6,847	6,508

The employee numbers (without temporary staff) break down by segments and regions as follows:

	31.03.2015	31.12.2014	01.01 – 31.03.2015	01.01 – 31.03.2014
IT system house & managed services	5,218	5,164	5,179	5,002
Domestic	4,587	4,507	4,551	4,321
Abroad	631	657	628	681
IT e-commerce	1,453	1,408	1,434	1,297
Domestic	521	489	511	469
Abroad	932	919	923	828

The employee numbers (without employees on parental leave and without temporary staff) break down by functional areas as follows:

	31.03.2015	31.12.2014	01.01 – 31.03.2015	01.01 – 31.03.2014
Services	3,046	2,963	3,004	2,901
Sales	2,055	2,009	2,044	1,889
Administration	1,458	1,478	1,450	1,399



See
Annual Report 2014,
page 237 f

XII. NOTEWORTHY EVENTS AFTER THE REPORTING PERIOD

As of the acquisition date 4 May 2015, BECHTLE took over Modus Consult AG, headquartered in Gütersloh, Germany. Modus Consult AG is an established specialist for application solutions whose portfolio mainly focuses on ERP software solutions based on Microsoft Navision and Axapta, document management systems (DMS), collaboration solutions and business intelligence.

By means of the takeover, BECHTLE is further expanding its software and application solutions segment.

In the balance sheet, the acquisition will be recognised according to the purchase method (IFRS 3.4 ff). Due to the short time and the complexity, the identification and measurement of the assets acquired, of the liabilities assumed and of the consideration paid is not yet available (IFRS 3.B66). Provisional values are expected to become available by the half-yearly closing as of 30 June 2015 (IFRS 3.45).

No other noteworthy events occurred at BECHTLE after the end of the reporting period.

Neckarsulm, 12 May 2015

BECHTLE AG

Executive Board

RESPONSIBILITY STATEMENT BY THE EXECUTIVE BOARD

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group, and the interim management report of the group includes a fair review of the development and performance of the business and the position of the group, together with a description of the principal opportunities and risks associated with the expected development of the group for the remaining months of the financial year.

Neckarsulm, 12 May 2015

BECHTLE AG

The Executive Board



Dr. Thomas Olemotz



Michael Guschlbauer



Jürgen Schäfer

AUDITING INFORMATION

The present interim financial report was neither audited, according to Article 317 of the HGB, nor revised by the auditor.

Forward-looking Statements

This interim financial report contains statements that relate to the future performance of BECHTLE AG. Such statements are based on assumptions and estimates. Though the Executive Board believes that these forward-looking statements are realistic, this cannot be guaranteed. The assumptions are subject to risks and uncertainties that may result in consequences that differ substantially from those anticipated.

BECHTLE's financial accounting and reporting policies comply with the International Financial Reporting Standards (IFRS) as endorsed by the EU. Due to rounding differences, percentages stated in the report may differ slightly from the corresponding amounts in € million. Similarly, totals may differ from the individual values.

FINANCIAL CALENDAR**Interim Report 1st Quarter 2015 (31 March)**

Wednesday, 13 May 2015

Annual General Meeting

Tuesday, 16 June 2016, 10.00 a.m.

Konzert- und Kongresszentrum Harmonie, Heilbronn

Dividend Payment

as of 17 June 2015 (subject to approval by the Annual General Meeting)

Interim Report 2nd Quarter 2015 (30 June)

Friday, 7 August 2015

Interim Report 3rd Quarter 2015 (30 September)

Wednesday, 11 November 2015

See bechtle.com/events-en or bechtle.com/financial-calendar for further dates and changes.

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