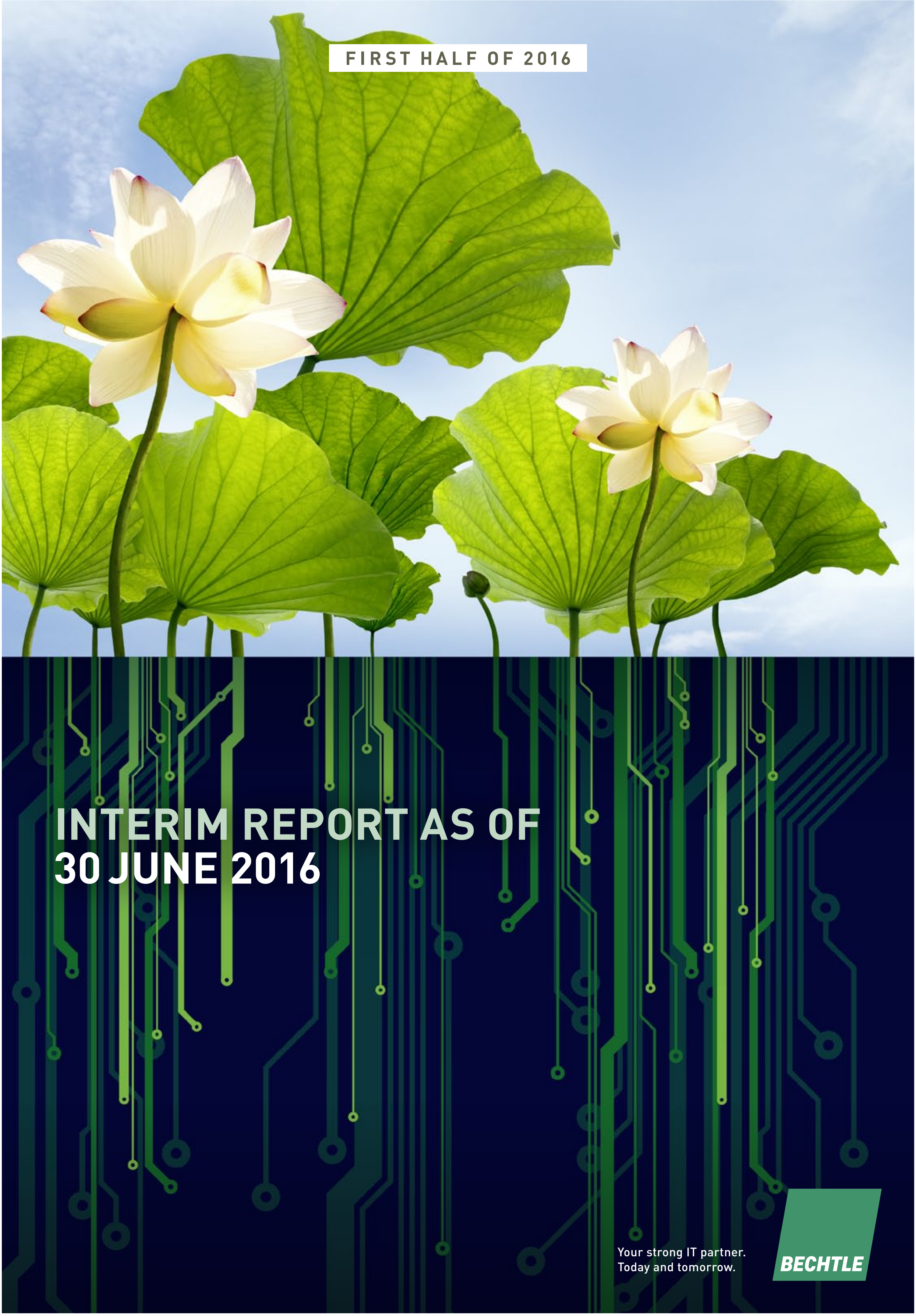


FIRST HALF OF 2016

INTERIM REPORT AS OF 30 JUNE 2016

Your strong IT partner.
Today and tomorrow.

BECHTLE

KEY FIGURES OF THE BECHTLE GROUP AT A GLANCE

		01.01 – 30.06.2016	01.01 – 30.06.2015	Change in %
Revenue	€k	**1,428,298**	**1,308,512**	**9.2**
IT system house & managed services	€k	952,051	854,169	11.5
IT e-commerce	€k	476,247	454,343	4.8
EBITDA	€k	**73,164**	**61,827**	**18.3**
IT system house & managed services	€k	50,178	40,529	23.8
IT e-commerce	€k	22,986	21,298	7.9
EBIT	€k	**59,217**	**49,168**	**20.4**
IT system house & managed services	€k	38,743	30,312	27.8
IT e-commerce	€k	20,474	18,856	8.6
EBIT margin	%	**4.1**	**3.8**	
IT system house & managed services	%	4.1	3.5	
IT e-commerce	%	4.3	4.2	
EBT	€k	**59,010**	**49,156**	**20.0**
EBT margin	%	**4.1**	**3.8**	
Earnings after taxes	€k	**41,826**	**34,454**	**21.4**
Earnings per share	€	**1.99**	**1.64**	**21.4**
Return on equity[1]	%	**14.1**	**13.1**	
Cash flow from operating activities	€k	**5,840**	**17,080**	**–65.8**
Cash flow per share	€	**0.28**	**0.81**	**–65.8**
Number of employees (as of 30.06)		**7,328**	**6,938**	**5.6**
IT system house & managed services		5,803	5,461	6.3
IT e-commerce		1,525	1,477	3.2

		30.06.2016	31.12.2015	Change in %
Cash and cash equivalents[2]	€k	**161,917**	**206,660**	**–21.7**
Working capital	€k	**331,756**	**294,872**	**12.5**
Equity ratio	%	**57.5**	**53.9**	**6.5**

[1] Annualised
[2] Incl. time deposits and securities

REVIEW BY QUARTER 2016

		1st Quarter 01.01 – 31.03	2nd Quarter 01.04 – 30.06	3rd Quarter 01.07 – 30.09	4th Quarter 01.10 – 31.12	2016 FY 01.01 – 30.06
Revenue	€k	704,905	723,393			1,428,298
EBITDA	€k	33,846	39,318			73,164
EBIT	€k	26,956	32,261			59,217
EBT	€k	26,915	32,095			59,010
EBT margin	%	3.8	4.4			4.1
Earnings after taxes	€k	19,115	22,711			41,826

CONSOLIDATED INTERIM MANAGEMENT REPORT

BUSINESS ACTIVITY

As a one-stop IT provider, Bechtle is active with about 70 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 73,000 customers from the fields of industry and trade, the public sector and the financial industry.

See
Annual Report 2015,
page 46 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, and 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 asset management specialist.

bechtle.com/portfolio-en

BUSINESS ENVIRONMENT

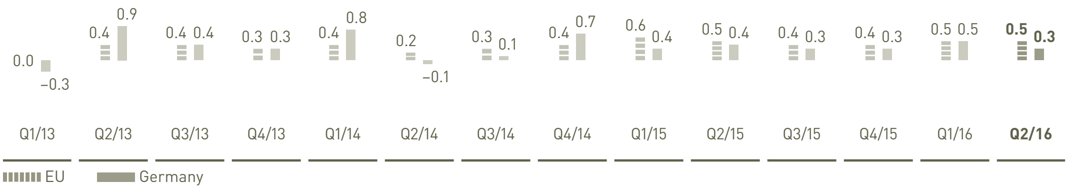
- Economic framework conditions remain favourable
- Positive signals from the IT industry

Macroeconomy

The economic situation in the EU has further improved. According to the forecast of the European Commission, the gross domestic product (GDP) in both the first and second quarter of 2016, increased by 0.5 per cent across the EU, slightly higher than the level of the prior quarters. All EU countries in which Bechtle is present recorded positive growth rates, though to different extents. The bandwidth in the first quarter was rather narrow, from a GDP growth of 0.2 per cent in Portugal to 0.7 per cent in Spain. In the second quarter of 2016, the gap widened a little bit, from a growth of 0.2 per cent in Belgium to 1.1 per cent in Poland.

ec.europa.eu

GDP PERFORMANCE IN THE EU COMPARED TO THE PRIOR QUARTER %



In the first quarter, the German economy grew 0.5 per cent, like the EU. In the second quarter, the domestic GDP performance amounted to 0.3 per cent, slightly below the EU average.

ifo.de

The mood indicators of the German economy initially declined at the beginning of the year. Subsequently, however, the ifo index climbed from 105.8 points in February to 108.7 in June. Especially the expectations for the subsequent months improved noticeably.

Industry

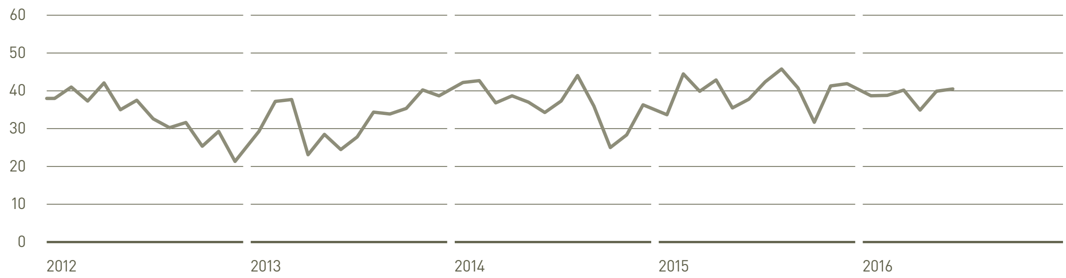
gulp.de

In the first half of 2016, the IT market showed signals of a positive performance. For example, the GULP IT project market index, which registers projects for freelance IT specialists in Germany, underwent a year-on-year increase of 17.1 per cent in the first quarter and 26.2 per cent in the second quarter. The PC market also performed well. According to the market research institute IDC, PC sales in Western Europe stabilised in the second quarter, with only a slight minus of 0.8 per cent. Laptop sales went up 4.1 per cent. The business customer segment even witnessed a growth of 10.5 per cent.

Product prices continued to increase in the first half of 2016. In most product groups, the increase was very significant and reached two-digit figures. Only the prices of printers declined.

In the first quarter, the mood on the German IT market climbed from 38.7 points in January to 40.2 in March. At the beginning of the second quarter, the ifo index for IT service providers underwent a significant drop to 34.9 in April, the lowest value in the year to date. However, the mood recovered quickly, and the values climbed back to 39.9 as early as May. At 40.5 points, the month of June saw the highest level in the year to date, closing the period on a positive note.

IFO INDEX FOR IT SERVICE PROVIDERS



Overall Assessment

The economic environment in the first half of 2016 was positive. The growth dynamics in the EU persisted at a good level. As previously, the numerous potential crisis spots seem to have no impact on the economic development, at least for the time being. However, the GDP growth in Germany dropped in the second quarter.

Positive signals prevail on the IT market as well. Good growth figures were achieved both in the field of services and on the market for business PCs.

Bechtle AG performed well in this market environment. The largely organic growth dynamics are above 9 per cent, i.e. significantly above the overall market. At present, the willingness to invest, which is evident on the customer side, shows no signs of abating.

As Bechtle AG does not publish any forecasts for individual quarters, it is not possible to compare the actual figures with target figures. Nevertheless, we are pleased to confirm that the figures of the first six months are in full accordance with our forecast for the year as a whole, which provides for significant revenue and earnings growth compared to the prior year.

EARNINGS POSITION

- Earnings continue to grow dynamically
- Strong impulses from domestic system houses

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 half of 2016, incoming orders amounted to approximately €1,443 million, 12.4 per cent more than in the prior year (€1,284 million). The IT system house & managed services segment recorded an increase of 13.4 per cent to €956 million (prior year: €843 million). At €487 million, the incoming orders in the IT e-commerce segment were 10.4 per cent higher than in the prior year with €441 million.

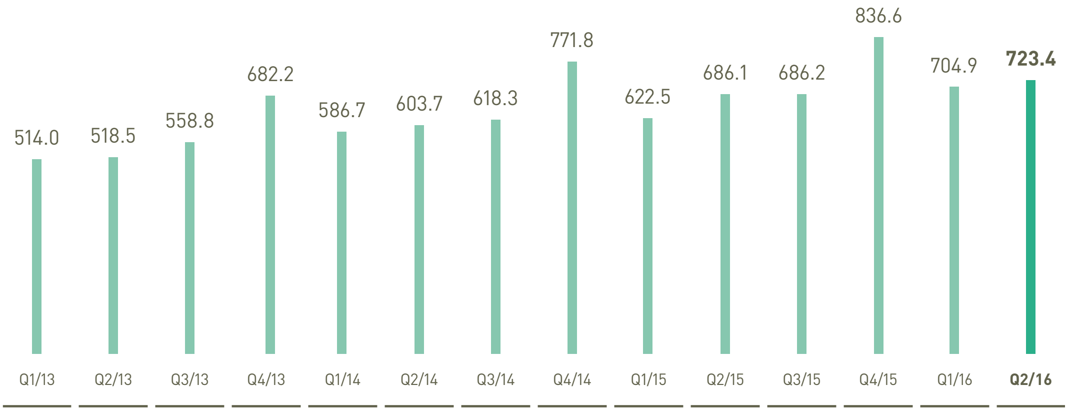
As of 30 June, the order backlog amounted to €399 million (prior year: €299 million). Of this amount, the IT system house & managed services segment accounted for €327 million (prior year: €250 million), and the IT E-commerce segment for €72 million (prior year: €49 million).

Revenue Performance

Bechtle was able to almost maintain its momentum from the fiscal year 2015 in the first half of 2016, growing significantly faster than the market. In the first half of the year, the Bechtle Group's revenue went up 9.2 per cent from €1,308.5 million to €1,428.3 million. The growth was supported mainly by the domestic system houses. Most of the growth (8.0 per cent) was organic. From the quarterly perspective, the growth dynamics slackened in the second quarter, which is due, amongst other things, to it being compared to an extraordinarily strong second quarter in 2015. From April to June, the revenue increased 5.4 per cent. The organic growth was 4.7 per cent.

GROUP REVENUE

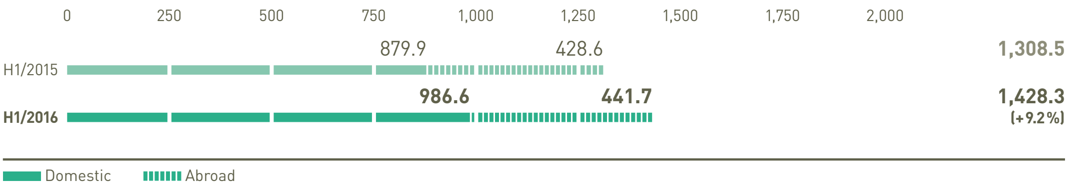
€m



Due to the outstanding performance of the German system houses, the domestic revenue increased at an above-average rate of 12.1 per cent from €879.9 million to €986.6 million. In the second quarter, the growth in Germany amounted to 7.3 per cent.

REGIONAL REVENUE DISTRIBUTION

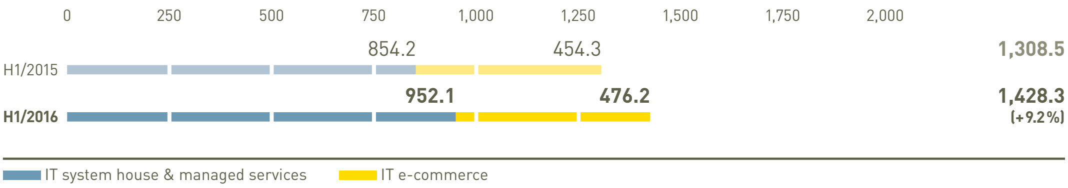
€m



The IT system house & managed services segment stepped up its revenue 11.5 per cent to €952.1 million (prior year: €854.2 million). In the second quarter, the revenue growth still reached a good level of 6.7 per cent.

REVENUE BY SEGMENTS

€m



In the six-month period, the revenue in the IT e-commerce segment improved 4.8 per cent, from €454.3 million to €476.2 million. The domestic and foreign trading companies accounted for equal shares of the growth. From April to June, the revenue in this segment went up 3.1 per cent. Challenging situations in some international markets were the main reason for this weaker performance.

REVENUE – GROUP AND SEGMENTS

€k

	H1/2016	H1/2015	Change	Q2/2016	Q2/2015	Change
Group	**1,428,298**	**1,308,512**	**+9.2%**	**723,393**	**686,062**	**+5.4%**
Domestic	986,621	879,913	+12.1%	503,779	469,686	+7.3%
Abroad	441,677	428,599	+3.1%	219,614	216,376	+1.5%
IT system house & managed services	**952,051**	**854,169**	**+11.5%**	**481,621**	**451,543**	**+6.7%**
Domestic	862,644	761,607	+13.3%	439,005	406,987	+7.9%
Abroad	89,407	92,562	-3.4%	42,616	44,556	-4.4%
IT e-commerce	**476,247**	**454,343**	**+4.8%**	**241,772**	**234,519**	**+3.1%**
Domestic	123,977	118,306	+4.8%	64,774	62,699	+3.3%
Abroad	352,270	336,037	+4.8%	176,998	171,820	+3.0%

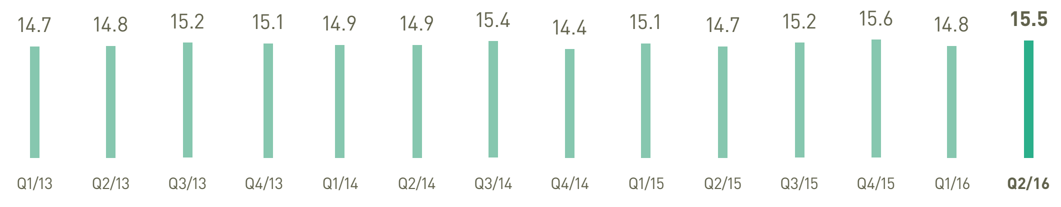
Based on an average of 6,717 full-time and part-time employees, the group's revenue per employee in the first six months increased slightly to €213 thousand. In the corresponding prior-year period, this figure had amounted to €211 thousand. The revenue per employee in the IT system house & managed services segment was €178 thousand, compared to €175 thousand in the prior year. The revenue per employee in the IT e-commerce segment climbed from €340 thousand to €346 thousand.

Earnings Performance

From January to June, the cost of sales increased by 8.8 per cent, a rate slightly lower than that of the revenue. This was due mainly to the development of the material costs and the personnel expenses included in the cost of sales, which went up by merely disproportionately low rates of 8.8 per cent and 8.5 per cent, respectively. The gross margin increased from 14.9 per cent to 15.2 per cent. Gross earnings amounted to €216.6 million, 11.4 per cent more than in the prior year (€194.5 million). In the second quarter, the gross margin climbed from 14.7 per cent to 15.5 per cent. This item was affected by the relatively low increase of 4.2 per cent in material costs.

GROSS MARGIN

%



In the first half of the year, our functional expenses exhibited heterogeneous dynamics. Distribution costs went up at a disproportionately low rate of 6.3 per cent from €88.4 million to €94.0 million. The distribution cost ratio dropped from 6.8 per cent to 6.6 per cent. On the other hand, administrative expenses increased at a disproportionately high rate of 10.0 per cent from €65.9 million to €72.5 million. The administrative expense ratio increased slightly from 5.0 per cent to 5.1 per cent. Other operating income totalled €9.1 million, a figure very close to that of the prior year (€9.0 million).

Year on year, earnings before interest, taxes, depreciation and amortisation increased 18.3 per cent, from €61.8 million to €73.2 million. Thus, our EBITDA margin reached a value of 5.1 per cent, compared to 4.7 per cent in the prior year. The margin was 5.4 per cent in the second quarter, compared to 4.9 per cent in the corresponding prior-year quarter.

Depreciation and amortisation increased at a below-average rate of 10.2 per cent to €13.9 million (prior year: €12.7 million). As previously, depreciation of property, plant and equipment – which increased from €10.2 million to €11.5 million – accounted for the largest share.

Earnings before interest and taxes (EBIT) improved 20.4 per cent to €59.2 million (prior year: €49.2 million). The margin was 4.1 per cent, compared to 3.8 per cent in the prior year. In the period from April to June, the margin went up from 3.9 per cent to 4.5 per cent.

The financial earnings were largely balanced. In the first half of 2016, the group generated earnings before taxes (EBT) of €59.0 million, 20.0 per cent more than in the prior year (€49.2 million). The EBT margin was 4.1 per cent, compared to 3.8 per cent in the prior year. The EBT margin in the second quarter went up from 3.9 per cent to 4.4 per cent.

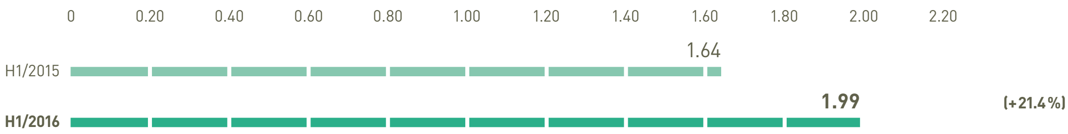
EBT AND EBT MARGIN

€m and %

In the first half of the year, tax expenses increased at a disproportionately low rate from €14.7 million to €17.2 million. The tax rate receded from 29.9 per cent in the prior year to 29.1 per cent in the period under review.

Earnings after taxes went up 21.4 per cent from €34.5 million to €41.8 million. The net margin thus amounted to 2.9 per cent, compared to 2.6 per cent in the prior year. On the basis of 21.0 million shares, earnings per share (EPS) increased to €1.99 (prior year: €1.64). In the second quarter, EPS amounted to €1.08, an increase of 21.3 per cent over the prior year (€0.89).

EPS in €



At segment level, the earnings situation was as follows:

In the first half of 2016, EBIT in the IT system house & managed services segment increased 27.8 per cent to €38.7 million (prior year: €30.3 million). The EBIT margin was 4.1 per cent, compared to 3.5 per cent in the prior year. The significant margin improvement was caused by the fact that the strains on earnings from the prior year were no longer effective in the reporting period and by the increased share of premium services, such as managed services and cloud services.

In the six-month period, the IT e-commerce segment generated EBIT of €20.5 million, 8.6 per cent more than in the prior year (€18.9 million). The margin picked up slightly from 4.2 per cent to 4.3 per cent. This positive result was made possible especially by the good product mix and the prudent HR policy.

EBIT – GROUP AND SEGMENTS €k

	H1/2016	H1/2015	Change	Q2/2016	Q2/2015	Change
Group	**59,217**	**49,168**	**+20.4%**	**32,261**	**26,667**	**+21.0%**
IT system house & managed services	38,743	30,312	+27.8%	20,436	13,784	+48.3%
IT e-commerce	20,474	18,856	+8.6%	11,825	12,883	–8.2%

ASSETS AND FINANCIAL POSITION

- Sound balance sheet
- Positive cash flow from operating activities

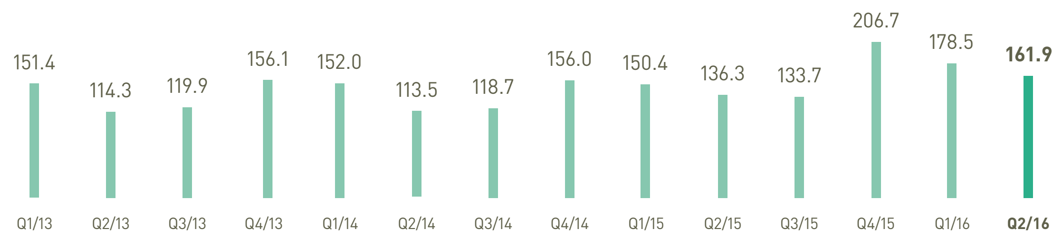
As of 30 June 2016, the balance sheet total of the Bechtle Group amounted to €1,097.7 million, slightly less than as of 31 December 2015 (€1,150.4 million).

Development of the Assets

Non-current assets declined from €344.4 million to €321.4 million. Trade receivables were €12.8 million lower than on 31 December 2015. This reflects the business of Bechtle Financial Services, which usually forfeits receivables within the scope of leasing transactions. Time deposits and securities dropped €10.0 million to €7.0 million. As some of the maturities are now below twelve months, these assets have been classified as current assets. Our capitalisation ratio dropped slightly and amounted to 29.3 per cent as of the reporting date (31 December 2015: 29.9 per cent).

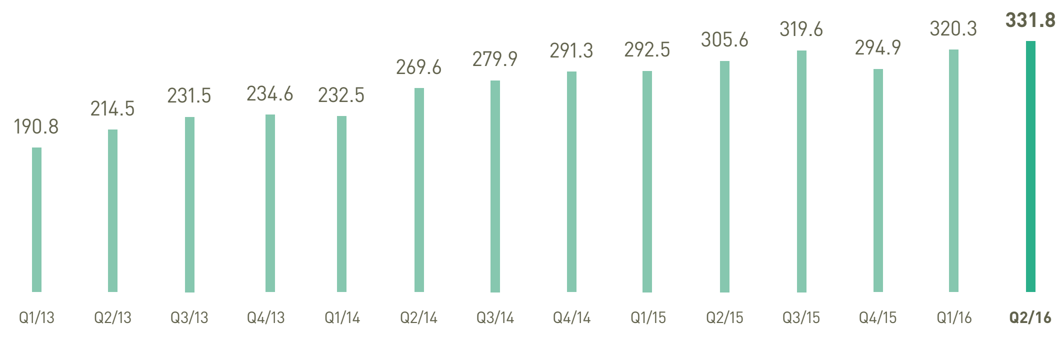
Current assets declined €29.8 million to €776.2 million. For seasonal reasons, inventories increased €20.6 million to €171.0 million. Trade receivables dropped €10.2 million to €395.9 million. Year on year, our average DSO (days sales outstanding) in the first six months of 2016 dropped from 41.5 days to 40.1 days. Amongst other things, this was because of the lower volume of non-current receivables. Especially due to the dividend payment, cash and cash equivalents dropped from €164.8 million to €139.6 million. Time deposits and securities also dropped €9.6 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 €161.9 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



By 30 June 2016, the working capital had increased from €294.9 million to €331.8 million, due especially to the lower trade payables and the higher inventories. In relation to the balance sheet total, the working capital amounted to 30.2 per cent as of the balance sheet date, compared to 25.6 per cent as of 31 December 2015. In relation to the revenue, the working capital dropped from 23.4 per cent in the corresponding prior-year period to 23.2 per cent as of 30 June 2016.

WORKING CAPITAL €m



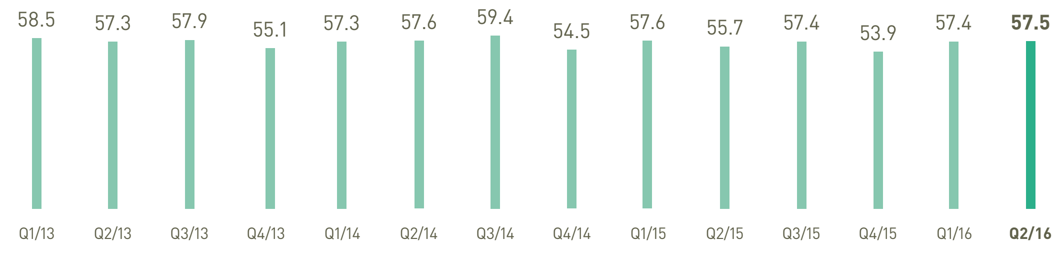
Development of the Equity and Liabilities

As of 30 June 2016, non-current liabilities were €7.3 million less than on 31 December 2015. This item was affected particularly by the financial liabilities, which dropped €4.0 million.

Current liabilities fell €55.5 million to €355.1 million. For seasonal reasons, trade payables dropped €28.0 million to €176.1 million. For reasons related to the reporting date, other liabilities dropped €21.6 million to €82.4 million. This was due mainly to the lower personnel liabilities and reduced VAT liabilities.

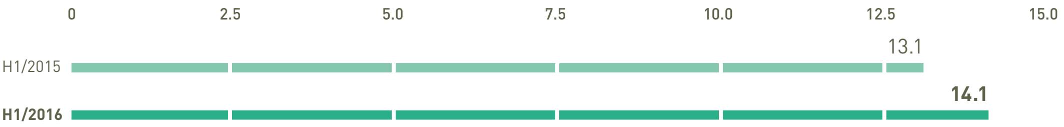
Owing to the higher earnings, the equity climbed from €620.7 million to €630.7 million as of 30 June 2016. Our equity ratio increased from 53.9 per cent as of 31 December 2015 to 57.5 per cent as of the reporting date.

EQUITY RATIO %



The extrapolated return on equity increased from 13.1 per cent as of 30 June 2015 to 14.1 per cent as of the reporting date.

RETURN ON EQUITY %



Due to the significant increase in equity, the equity to non-current assets ratio climbed to 196.2 per cent as of 30 June 2016, compared to 180.2 per cent as of 31 December 2015. As Bechtle's liquidity exceeds its total financial liabilities, the group's net debt amounts to a negative value of €101.1 million, i.e. Bechtle is free of debt. We were able to reduce the dependence on external creditors. As of 30 June 2016, the debt ratio was 74.1 per cent, less than at the end of the fiscal year 2015 (85.4 per cent).

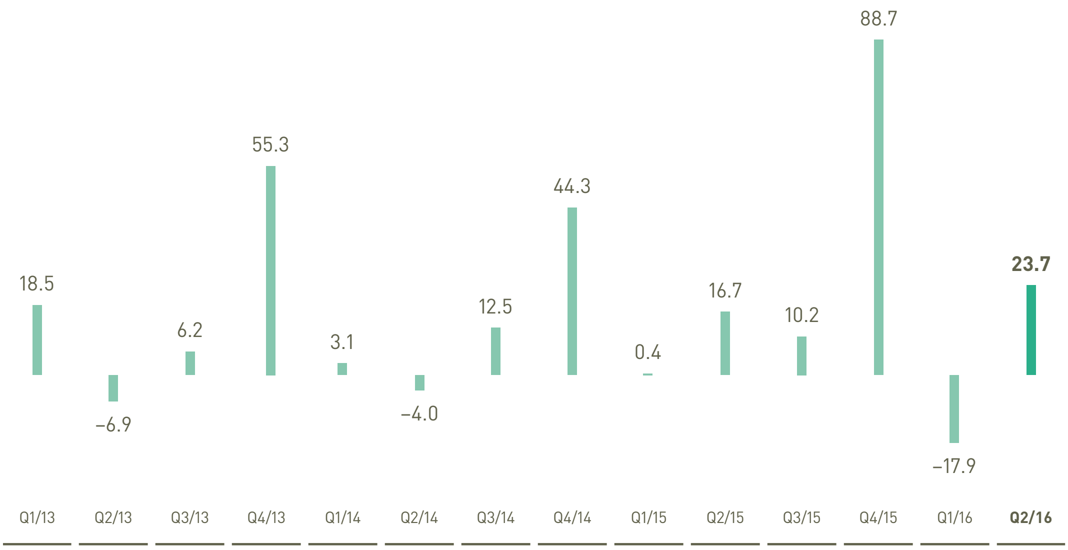
KEY BALANCE SHEET FIGURES OF THE BECHTLE GROUP

		30.06.2016	31.12.2015
Balance sheet total	€m	1,097.7	1,150.4
Cash and cash equivalents including time deposits and securities	€m	161.9	206.7
Equity	€m	630.7	620.7
Equity ratio	%	57.5	53.9
Equity to non-current assets ratio	%	196.2	180.2
Net debt	€m	–101.1	–140.6
Debt ratio	%	74.1	85.3
Working capital	€m	331.8	294.9

Development of the Cash Flow

The net cash generated from operating activities in the period from January to June 2016 amounted to €5.8 million, compared to €17.1 million in the corresponding prior-year period. This decline was due mainly to changes in the net assets, which resulted in a cumulatively higher cash outflow than in the corresponding prior-year period. At minus €20.8 million, the cash outflow from the accumulation of inventories was significantly higher than in the prior year (minus €1.5 million), and the cash outflow from the reduction of trade payables amounted to minus €27.5 million, compared to minus €23.3 million in the prior year.

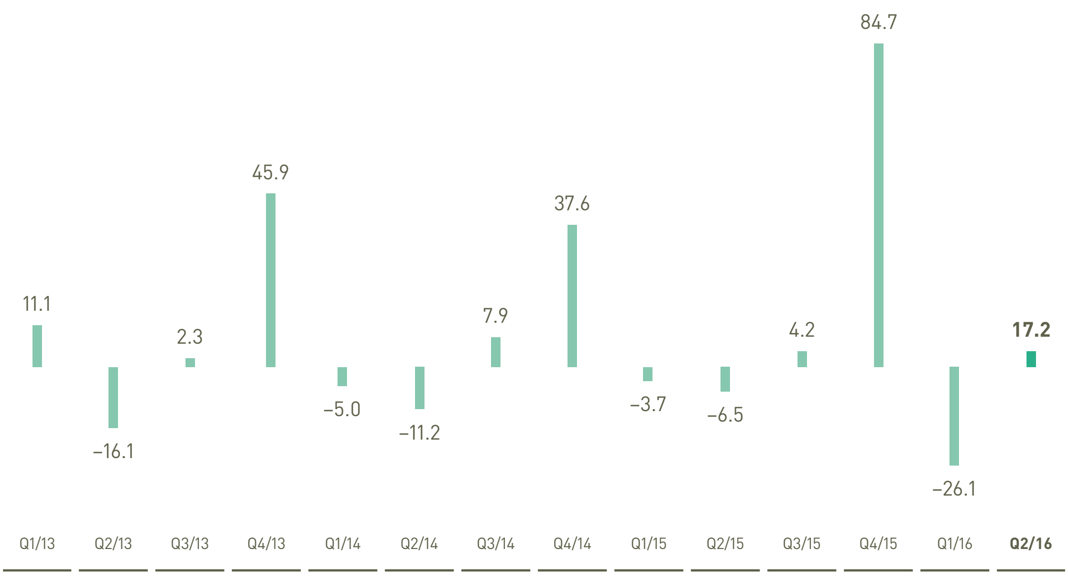
CASH FLOW FROM OPERATING ACTIVITIES €m



At €5.2 million, the cash flow from investing activities was positive (prior year: minus €25.4 million). This item was affected by the higher inflow from the sale of time deposits and securities and the lower outflow for acquisitions.

The cash flow from financing activities amounted to minus €35.7 million, compared to minus €12.9 million in the prior year. The change was caused by the lower cash inflow from the raising of new financial liabilities and the dividend payment.

FREE CASH FLOW €m



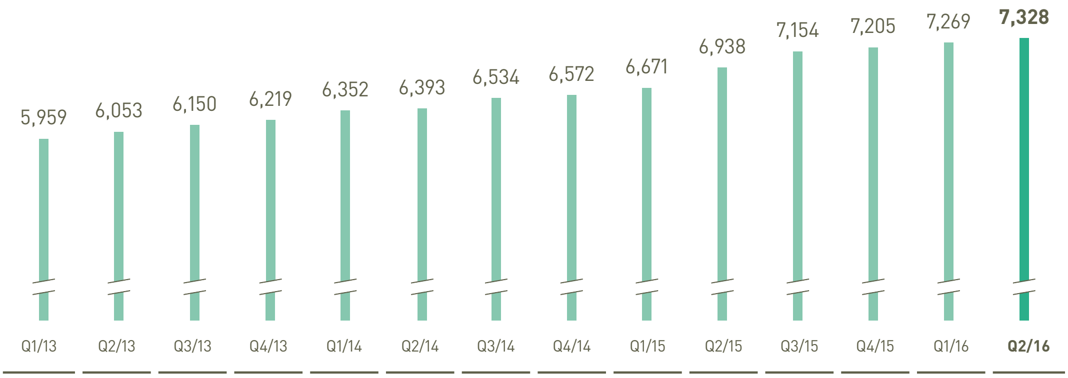
Year on year, the free cash flow from January to June improved due to the lower outflow for acquisitions, but was still negative. It amounted to minus €8.9 million (prior year: minus €10.3 million). The free cash flow was mainly affected by the cash flow from operating activities and the outflow for investments.

EMPLOYEES

- Steady growth in headcount
- Training remains a key area of HR work

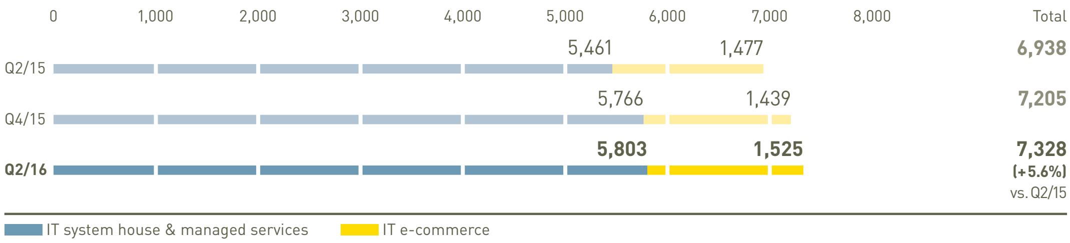
As of the reporting date 30 June 2016, the Bechtle Group had a total of 7,328 employees, including 402 trainees. Compared to 30 June 2015, the headcount thus went up by 390, an increase of 5.6 per cent. Compared to 31 December 2015, the headcount went up by 123.

EMPLOYEES IN THE GROUP



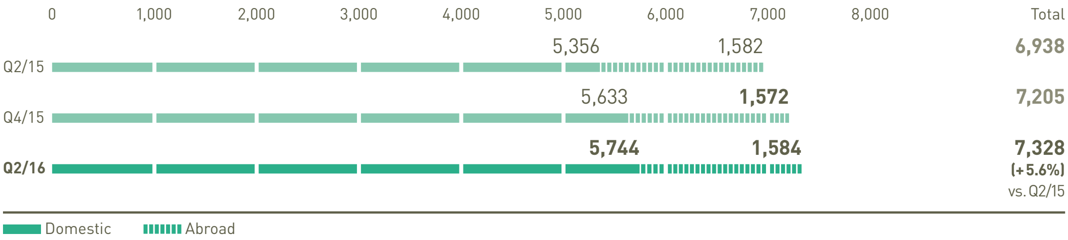
The IT e-commerce segment recorded a headcount increase of 86 compared to 31 December 2015, an increase of 6.0 per cent. The increase in the number of employees was slightly higher in Germany than in the foreign e-commerce companies. In the system house segment, the headcount increased by merely 0.6 per cent.

EMPLOYEES BY SEGMENTS



As of 30 June 2016, a total of 5,744 persons – more than three quarters of the workforce – were employed in Germany.

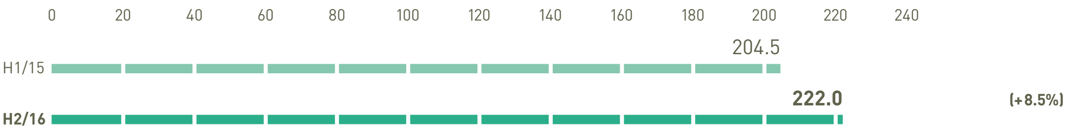
EMPLOYEES BY REGIONS



From January to June 2016, the average number of employees in the group amounted to 7,272, a total of 531 employees more than in the prior-year period, an increase of 7.9 per cent.

In the period from January to June 2016, personnel and social expenses totalled €222.0 million, 8.5 per cent more than in the corresponding prior-year period (€204.5 million). The expense ratio declined slightly from 15.6 per cent to 15.5 per cent. Based on an average number of 6,717 (prior year: 6,211) full-time and part-time employees, personnel and social expenses increased from €32.9 thousand to €33.1 thousand in the first half of the year.

PERSONNEL AND SOCIAL EXPENSES €m



Our human resources work continues to focus on training. Numerous training fairs and other events give the enterprise the opportunity to distinguish itself as a training company. In the first half of the year, Bechtle presented itself at seven events at our group headquarters in Neckarsulm, e.g. during university and school visits and the Girls Day. In the reporting period, we welcomed 54 high-school interns at Bechtle Platz 1 – another important step to introduce junior staff to the company at an early stage. Moreover, Bechtle was represented at six external fairs in the vicinity of Neckarsulm and at two fairs in Würzburg and Essen. At these events, especially high-school graduates were able to learn more about available training and university options and establish initial contacts. Every year, we receive many applications for available training posts due to our participation in fairs. All 64 (prior year: 56) training and study posts at the headquarters for 2016 have been staffed at an early stage. The almost 1,000 applications received reflect the great interest shown in a training or study post at Bechtle. The application period for 2017 has already started. Some applications have already been received for this period too.

Bechtle continues to invest in the development of junior executives. On 5 April, 13 participants completed the general management programme for the development of junior executives. On 3 March, 28 participants completed the junior management programme, which conveys action and decision competencies for the role of an executive at the middle management level. On 9 May, 19 Bechtle employees embarked on the fourth round of the junior management programme.

For the fourth time in a row, Bechtle was awarded the trainee level "Career-promoting & fair trainee programme" label by Absolventa. This year, the trainee programme again started on 1 April, on this occasion with twelve participants.

Bechtle's internal academy offers all employees a comprehensive programme, ranging from further training measures to the acquisition of additional qualifications to interdisciplinary seminars. In the first half of 2016, the Academy held 165 events with a total of 2,013 participants. The Academy continues to replace classroom training with e-learning schemes in which the participants can attend a seminar or training measure online without leaving their workplace. In this context, 152 participants took E-Procurement Basics training, 83 attended E-Procurement Administration and 151 participated in NAVISION@work.

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 in relation to the revenue of the whole group.

OPPORTUNITIES AND RISKS

- Economic risks due to outcome of Brexit referendum
- Mood in German economy stays robust

See Annual Report 2015, page 106 ff

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 2015. In the course of the first half of 2016, 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.

Basically, the economic risks described in the Annual Report have not changed. However, a new economic risk has arisen due to the British vote in favour of an exit from the EU. The risks that might emerge from this, however, are rather vague. It remains to be seen when Brexit will actually take place, and what its details will be. Still, a slight clouding of the economic situation has already been predicted by some for both the UK and the EU. Bechtle would be affected by both these developments. Nevertheless, the effects of an economic turndown in the United Kingdom would be rather small for the Bechtle Group, as only a minor part of the consolidated revenue is generated there. Possible effects on the economic situation in the EU as a whole remain to be seen. All in all, especially the mood in the German economy remains stable from the perspective of the Bechtle Group; thus, the risk situation has not undergone any material change.

Apart from this, the first half of 2016 did not see any new circumstances that resulted in a change of the risk position or the evaluation of opportunities.

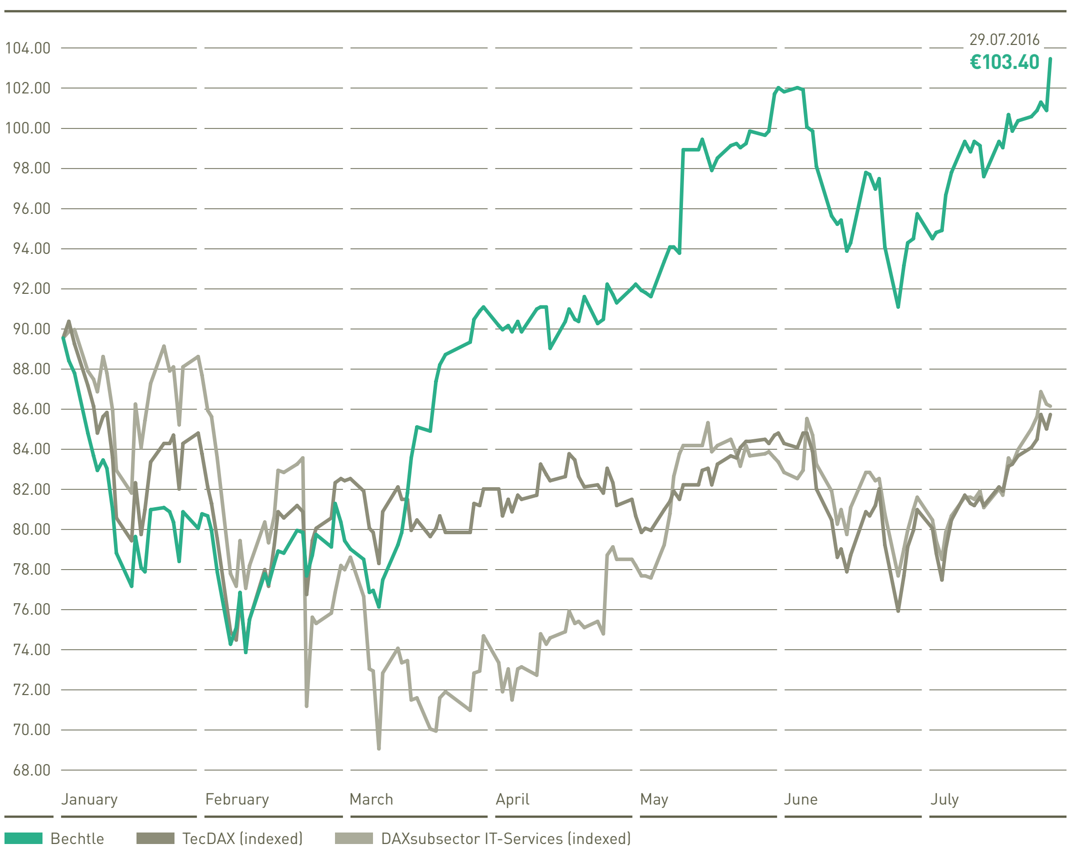
SHARE

- Stock market performance volatile
- Bechtle share surpasses €100 mark for the first time

The stock market crash in China early in 2016, the unclear interest policy in the USA and the rather unexpected outcome of the Brexit referendum dominated the stock market situation in the first half of the year. The stock markets initially saw some severe price drops in response, but later managed to recover slightly. In April, the DAX again surpassed the 10,000 mark. The prices continued to move sideways around this level throughout most of June. However, the Brexit referendum caused the prices on the German stock market to plummet once again. As of the end of the first six months, the DAX had lost a total of 5.9 per cent compared to the start of the year. The TecDAX suffered an even more severe drop of 10.7 per cent.

On 4 January 2016, the Bechtle share entered the new year with a closing price of €89.46. At the beginning of the first half-year, it followed the general stock exchange trend and initially declined in value. The share reached its low of €73.70 on 11 February. From mid-March, the share jumped to a value of €90. The price remained steadily at this level for several weeks before it surpassed the €100 mark for the first time on 1 June. On 6 June, the Bechtle share closed at €102.00, the highest price in the first half of the year and a

THE BECHTLE SHARE – PERFORMANCE FROM JANUARY TO JULY 2016



new all-time high. The Bechtle share did not remain unscathed by the outcome of the Brexit referendum. Nevertheless, at €94.42 on 30 June, the share achieved a price increase of 5.5 per cent in the first six months, thus significantly outperforming the market in general.

On average, 35,631 shares were traded every trading day in the first six months of 2016, compared to 55,132 shares in the corresponding prior-year period. Thus, the average daily turnover of €3,111,967 was below the prior-year value. In the TecDAX ranking of Deutsche Börse, Bechtle ranked 18th in June 2016 in terms of the stock exchange turnover, one place lower than in the prior year. In terms of market cap, the company ranked 11th, one place higher than in the prior year.

TRADING DATA OF THE BECHTLE SHARE

		H1/2016	H1/2015	H1/2014	H1/2013	H1/2012
Closing price as of the start of the six-month period	€	89.46	65.67	49.33	30.93	26.42
Closing price as of the end of the six-month period	€	94.42	67.99	62.57	35.19	29.08
High (closing price)	€	102.0	75.97	65.80	38.94	35.10
Low (closing price)	€	73.70	64.49	49.33	30.07	25.50
Performance – relative	%	+5.5	+3.5	+26.8	+13.8	+10.1
Market cap – total[1]	€m	1,982.8	1,427.8	1,314.0	739.0	610.7
Avg. turnover/trading day[2]	shares	35,631	55,132	47,190	32,726	50,201
Avg. turnover/trading day[2]	€	3,111,967	3,838,151	2,778,164	1,162,288	1,548,303

Xetra price data
[1] As of 30 June
[2] All German stock exchanges

On 9 June 2016, the Annual General Meeting of Bechtle AG took place at the concert and congress centre in Heilbronn, Germany. The General Meeting adopted all agenda items with overwhelming majorities, including the election of Sandra Stegmann as new member of the Supervisory Board. She assumed her office in the place of Dr. Walter Jaeger, who left the Supervisory Board for personal reasons after eight years.

In accordance with the proposal of the Executive Board and Supervisory Board of Bechtle AG, the Annual General Meeting adopted a resolution to pay a dividend of €1.40 per share. In the prior year, Bechtle AG had paid out a dividend of €1.20. Compared to the prior year, the payment per share certificate thus increased €0.20. Based on the dividend payment of €29.4 million, 31.7 per cent of the consolidated earnings after taxes were paid out to the shareholders. This was the tenth increase of the normal dividend overall and the sixth in a row. This year too, Bechtle AG has thus held fast to its shareholder-friendly dividend policy, which it has pursued since its IPO in 2000. In relation to the closing price as of the end of the six-month period, the dividend yield amounted to 1.5 per cent.

DIVIDEND

		2015	2014
Dividend	€	1.40	1.20
Dividend payout ratio	%	31.7	33.1
Dividend yield[1]	%	1.5	1.8

[1] As of 30 June

FORECAST

- Increased uncertainties concerning economic development
- Bechtle confirms growth forecast for 2016

Events after the reporting period, see Notes page 42

Macroeconomy

According to the forecasts of the European Commission, the economic performance in the EU will remain stable in the coming months. The growth will amount to 0.5 per cent in both the third and fourth quarters. Among the EU countries in which Bechtle is present, the growth expectations for the third quarter range from 0.3 per cent in Belgium and Spain to 1.8 per cent in Poland. A GDP growth of 1.8 per cent is expected for the EU for 2016 as a whole. Investments in equipment are to increase 4.3 per cent. The dynamics are to be maintained in the coming year as well. Quarterly growth rates of 0.4 to 0.5 per cent are predicted for the EU, bringing 2017 as a whole to a rate of 1.9 per cent. Investments in equipment are to grow at a significantly higher rate of 5.2 per cent. These forecasts were prepared prior to the Brexit referendum. Generally, it is expected that the result of this referendum will dampen the growth dynamics, particularly in the UK, but also in the rest of the EU.

ec.europa.eu

Currently, the Swiss economy is still overshadowed by uncertainties. Though the State Secretariat for Economic Affairs (SECO) projects a good GDP growth of 1.4 per cent for 2016 and an increase of 1.3 per cent for investments in equipment, the development is expected to be highly heterogeneous in the individual industries. For example, while the growth of the pharmaceuticals industry never really stalled, even during the most severe phases of the financial and economic crisis, numerous other industries fared substantially worse. In some industries, the production level of 2016 is even lower than prior to the crisis of 2008/2009. Therefore, uncertainties persist both for the remaining part of 2016 and for 2017, especially with regard to the possible recovery in the industries that had suffered severely from the weak European economy and the strong Swiss franc in recent years.

www.seco.admin.ch

The economic dynamics in Germany is to pick up slightly in the course of the year. The European Commission expects a growth of 0.4 per cent in the third and fourth quarter. For 2016 as a whole, current forecasts expect Germany to see GDP growth of 1.5 to 1.9 per cent. According to the Commission, investments in equipment are expected to grow by merely 1.8 per cent. A macroeconomic growth of 1.3 to 2.1 per cent is predicted for 2017. The European Commission expects investments in equipment to grow at a higher rate of 3.8 per cent.

Industry

eito.com

According to the latest forecast of the EITO market research institute of July 2016, the IT market in the EU is to grow 2.7 per cent in 2016. At 0.5 per cent, hardware sales are to decline. This is to be more than compensated for by the growth of 2.9 per cent in service revenues and especially the increase of 5.1 per cent in the field of software. In the countries in which Bechtle is present, hardware sales diverge greatly. While some countries are expected to undergo positive growth of up to 3.6 per cent (Portugal), others are likely to follow the EU trend and suffer a decline, especially the UK with minus 2.3 per cent and Italy with minus 2.2 per cent.

The development of the IT market in Switzerland is expected to be slightly more positive than in the EU. As a whole, the IT market is to grow 3.0 per cent in 2016. Hardware revenues are to increase slightly by 0.4 per cent, services by 2.8 per cent and software by 4.8 per cent.

In 2016, the German IT market will grow 3.1 per cent. Here, hardware sales are to decline, though only by 0.2 per cent. This decline will be triggered mainly by the product groups desktop PCs and mobile PCs, in which especially the private consumer demand is expected to slacken. Though desktop PC sales are to drop in the business segment as well (minus 6.5 per cent), 2.1 per cent growth is predicted for laptops and a remarkable 16.1 per cent for tablets. Service revenues are to increase 2.7 per cent and software – the growth driver – 6.2 per cent.

Performance of the Bechtle Group

In the first six months of 2016, Bechtle AG again experienced substantial growth and successfully gained market shares. As expected, the growth dynamics slackened in the course of the second quarter. All in all, our revenue is at the top of the target range of our expectations for 2016 as a whole, and our earnings are currently even above this.

We confirm our forecast of a significant revenue and earnings increase in the fiscal year 2016. Despite the good earnings performance in the first six months, we currently do not (yet) anticipate any margin improvement. One of the reasons for this is that in the current year, we need to compensate for the positive one-time effects we recorded in the prior year, e.g. from the sale of Gate Informatic. Moreover, we believe that the numerous uncertainties that currently exist with respect to the macroeconomic situation justify a measure of caution as far as the preparation of the forecast is concerned. Therefore, we will only be able to provide a more reliable estimate of how likely it will be for us to reach our goals for the fiscal year 2016 upon completion of the third quarter.

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. However, as the takeover prices are still at a very high level, we assume that the revenue growth in 2016 will be mainly organic. This, not least, is a requirement of due business diligence, which, in addition to strategic aspects, remains a key basic for the economic analyses conducted by us before any potential acquisitions. It remains to be seen whether the framework conditions for acquisitions will change in the foreseeable future. In any case, we will continue to actively pursue our role as industry consolidator for the purpose of supplementing our regional positioning or of complementing our competence profile.

Irrespective of any acquisitions, we plan to continue to step up our headcount in 2016 and beyond. The continuous increase in the number of employees above all else serves to achieve additional growth and thus to boost the medium-term to long-term further development of Bechtle. We expect the dynamics of the headcount increase to grow at a rate slightly lower than that of the revenue.

Currently, we do not plan to establish any new companies in the IT e-commerce segment. Following the successful agreements that we have entered into so far in our global IT alliance, our main objective is to fortify and further expand our international network.

Thanks to its sustainable earning power and stable liquidity base, Bechtle has the funds needed for continuing to realise its 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, 10 August 2016

Bechtle AG
The Executive Board

CONSOLIDATED INCOME STATEMENT

€k

		01.04 – 30.06.2016	01.04 – 30.06.2015	01.01 – 30.06.2016	01.01 – 30.06.2015
Revenue		723,393	686,062	1,428,298	1,308,512
Cost of sales		611,146	585,467	1,211,727	1,114,025
Gross profit		**112,247**	**100,595**	**216,571**	**194,487**
Distribution costs		48,777	45,418	93,977	88,408
Administrative expenses		36,135	33,195	72,498	65,913
Other operating income		4,926	4,685	9,121	9,002
Earnings before interest and taxes		**32,261**	**26,667**	**59,217**	**49,168**
Financial income		467	648	1,032	1,296
Financial expenses		633	634	1,239	1,308
Earnings before taxes		**32,095**	**26,681**	**59,010**	**49,156**
Income taxes		9,384	7,961	17,184	14,702
Earnings after taxes (attributable to shareholders of Bechtle AG)		**22,711**	**18,720**	**41,826**	**34,454**
Net earnings per share (basic and diluted)	in €	**1.08**	**0.89**	**1.99**	**1.64**
Weighted average shares outstanding (basic and diluted)	in thousands	**21,000**	**21,000**	**21,000**	**21,000**

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

€k

	01.04–30.06.2016	01.04–30.06.2015	01.01–30.06.2016	01.01–30.06.2015
Earnings after taxes	**22,711**	**18,720**	**41,826**	**34,454**
Other comprehensive income				
Items that will not be reclassified to profit or loss in subsequent periods				
Actuarial gains and losses on pension provisions	–135	–80	96	–2,249
Income tax effects	24	14	–16	407
Items that will be reclassified to profit or loss in subsequent periods				
Unrealised gains and losses on securities	2	–24	6	–41
Income tax effects	0	2	–1	2
Unrealised gains and losses on financial derivatives	605	–1,361	–804	944
Income tax effects	–174	421	238	–236
Currency translation differences of net investments in foreign operations	0	0	0	0
Income tax effects	0	0	0	0
Hedging of net investments in foreign operations	–221	–277	–809	–7,722
Income tax effects	65	82	240	2,287
Currency translation differences	224	437	–1,373	11,765
Other comprehensive income	**390**	**–786**	**–2,423**	**5,157**
of which income tax effects	–85	519	461	2,460
Total comprehensive income (attributable to shareholders of Bechtle AG)	**23,101**	**17,934**	**39,403**	**39,611**

See further comments in the Notes, in particular IV. and V., page 32 ff

CONSOLIDATED BALANCE SHEET

See further comments in the Notes, in particular V., page 33 f

ASSETS

€k

	30.06.2016	31.12.2015	30.06.2015
Non-current assets			
Goodwill	166,756	166,398	162,895
Other intangible assets	27,602	29,161	28,678
Property, plant and equipment	103,088	101,870	104,625
Trade receivables	9,245	22,020	19,983
Income tax receivables	33	33	33
Deferred taxes	4,197	4,425	4,037
Other assets	3,511	3,495	3,293
Time deposits and securities	7,003	16,999	17,008
Total non-current assets	**321,435**	**344,401**	**340,552**
Current assets			
Inventories	170,996	150,415	134,303
Trade receivables	395,946	406,167	374,419
Income tax receivables	1,407	1,055	1,524
Other assets	52,964	58,738	49,647
Time deposits and securities	15,286	24,894	30,794
Cash and cash equivalents	139,628	164,767	88,518
Total current assets	**776,227**	**806,036**	**679,205**
Total assets	**1,097,662**	**1,150,437**	**1,019,757**

EQUITY AND LIABILITIES

€k

	30.06.2016	31.12.2015	30.06.2015
Equity			
Issued capital	21,000	21,000	21,000
Capital reserves	145,228	145,228	145,228
Retained earnings	464,426	454,423	402,179
Total equity	**630,654**	**620,651**	**568,407**
Non-current liabilities			
Pension provisions	15,863	15,899	13,869
Other provisions	5,906	5,978	5,350
Financial liabilities	52,436	56,393	60,327
Trade payables	192	360	248
Deferred taxes	19,889	20,927	18,906
Other liabilities	6,052	7,293	4,117
Deferred income	11,562	12,346	22,322
Total non-current liabilities	**111,900**	**119,196**	**125,139**
Current liabilities			
Other provisions	5,856	6,416	6,903
Financial liabilities	8,395	9,627	13,114
Trade payables	176,084	204,067	161,311
Income tax payables	8,236	8,176	7,617
Other liabilities	82,426	104,052	82,179
Deferred income	74,111	78,252	55,087
Total current liabilities	**355,108**	**410,590**	**326,211**
Total equity and liabilities	**1,097,662**	**1,150,437**	**1,019,757**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

€k

			Retained earnings			
	Issued capital	Capital reserves	Accrued profits	Changes in equity outside profit or loss	Total	Total equity (attributable to shareholders of Bechtle AG)
Equity as of 1 January 2015	**21,000**	**145,228**	**387,532**	**236**	**387,768**	**553,996**
Distribution of profits for 2014			−25,200		−25,200	−25,200
Earnings after taxes			34,454		34,454	34,454
Other comprehensive income				5,157	5,157	5,157
Total comprehensive income	0	0	34,454	5,157	39,611	39,611
Equity as of 30 June 2015	**21,000**	**145,228**	**396,786**	**5,393**	**402,179**	**568,407**
Equity as of 1 January 2016	**21,000**	**145,228**	**455,209**	**−786**	**454,423**	**620,651**
Distribution of profits for 2015			−29,400		−29,400	−29,400
Earnings after taxes			41,826		41,826	41,826
Other comprehensive income				−2,423	−2,423	−2,423
Total comprehensive income	0	0	41,826	−2,423	39,403	39,403
Equity as of 30 June 2016	**21,000**	**145,228**	**467,635**	**−3,209**	**464,426**	**630,654**

See further comments in the Notes, in particular V., page 33 f

CONSOLIDATED CASH FLOW STATEMENT

€k

	01.04–30.06.2016	01.04–30.06.2015	01.01–30.06.2016	01.01–30.06.2015
Operating activities				
Earnings before taxes	**32,095**	**26,681**	**59,010**	**49,156**
Adjustment for non-cash expenses and income				
Financial earnings	165	–14	206	12
Depreciation and amortisation of intangible assets and property, plant and equipment	7,057	6,627	13,947	12,659
Gains and losses on disposal of intangible assets and property, plant and equipment	46	–6	69	–8
Other non-cash expenses and income	–1,368	908	–553	–1,564
Changes in net assets				
Changes in inventories	–6,908	12,742	–20,808	–1,521
Changes in trade receivables	–3,410	–23,459	22,608	24,465
Changes in trade payables	5,648	2,868	–27,530	–23,340
Changes in deferred income	–8,993	–8,938	–4,813	–6,924
Changes in other net assets	8,154	6,593	–18,380	–21,261
Income taxes paid	–8,749	–7,312	–17,916	–14,594
Cash flow from operating activities	**23,737**	**16,690**	**5,840**	**17,080**
Investing activity				
Cash paid for acquisitions less cash acquired	–57	–17,704	–1,493	–17,704
Cash received from divestments	0	0	0	236
Cash paid for investments in intangible assets and property, plant and equipment	–4,881	–6,338	–13,588	–11,346
Cash received from the sale of intangible assets and property, plant and equipment	–1,567	803	347	1,449
Cash paid for the acquisition of time deposits and securities	0	–800	0	–8,800
Cash received from the sale of time deposits and securities, and from redemptions of non-current assets	9,525	1,700	19,525	10,100
Interest payments received	87	250	359	622
Cash flow from investing activities	**3,107**	**–22,089**	**5,150**	**–25,443**
Financing activities				
Cash paid for the repayment of financial liabilities	–1,962	–1,389	–5,582	–6,088
Cash received from the assumption of financial liabilities	–2,125	19,395	394	19,653
Dividends paid	–29,400	–25,200	–29,400	–25,200
Interest paid	–593	-612	–1,156	–1,229
Cash flow from financing activities	**–34,080**	**–7,806**	**–35,744**	**–12,864**
Exchange-rate-related changes in cash and cash equivalents	164	60	–385	3,025
Changes in cash and cash equivalents	**–7,072**	**–13,145**	**–25,139**	**–18,202**
Cash and cash equivalents at beginning of the period	**146,700**	**101,663**	**164,767**	**106,720**
Cash and cash equivalents at the end of the period	**139,628**	**88,518**	**139,628**	**88,518**

See further comments in the Notes, in particular VI., page 35

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 30 June 2016 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 30 June 2016 is significantly reduced compared to the consolidated financial statements as of the end of the fiscal year. Additionally, the requirements of 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 first half of 2016, the EU did not endorse any further standards or amendments to standards. Bechtle had already adopted the new and amended standards and interpretations whose adoption is mandatory for the fiscal year 2016 ahead of time for the consolidated financial statements for the fiscal year 2015.

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 2015. For further information, please refer to the consolidated financial statements as of 31 December 2015, which form the basis for these interim financial statements.

In accordance with IAS 34, the determination of the tax expense in the interim financial reporting 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.

The following companies were included in the scope of consolidation or deconsolidated for the first time in this reporting period:

Company	Headquarters	Date of initial consolidation/ deconsolidation	Acquisition/ foundation/ liquidation
Niederer Engineering AG	Abtwil, Switzerland	1 January 2016	Acquisition
Comsoft direct S.r.l.	Bozen, Italy	31 March 2016	Liquidation

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

Expense Structure

€k

	Cost of sales		Distribution costs		Administrative expenses	
	01.01–30.06.2016	01.01–30.06.2015	**01.01–30.06.2016**	01.01–30.06.2015	**01.01–30.06.2016**	01.01–30.06.2015
Material costs	1,084,163	996,234	0	0	0	0
Personnel and social expenses	99,085	91,345	74,583	70,107	48,360	43,092
Depreciation and amortisation	6,859	5,931	3,229	3,072	3,859	3,656
Other operating expenses	21,620	20,515	16,165	15,229	20,279	19,165
Total expenses	**1,211,727**	**1,114,025**	**93,977**	**88,408**	**72,498**	**65,913**

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

See Segment reporting, income statement, page 38

The material costs include net income of €207 thousand from exchange rate fluctuations (prior year: net expense of €277 thousand).

Other Operating Income

Other operating income mainly consisted of marketing grants and other payments from suppliers amounting to €7,921 thousand (prior year: €7,294 thousand).

Financial Income and Financial Expenses

The financial income comprises income from call money, time deposits and financial receivables. The year-on-year decline is the result of the lower interest rates.

The financial expenses mainly include interest paid for the financial liabilities. The year-on-year decline in financial expenses occurred due to the further repayment of previous loan liabilities. Due to the very low interest rates, the assumption of new financial liabilities in the corresponding prior-year period did not result in any major increase in interest expenses.

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 – 30.06.2016	01.01 – 30.06.2015
Earnings after taxes	€k	41,826	34,454
Average number of outstanding shares		21,000,000	21,000,000
Earnings per share	€	**1.99**	**1.64**

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

See page 25

Other comprehensive income was mainly affected by the development of the EUR/CHF exchange rate. While the value of the Swiss franc vis-à-vis the euro had increased significantly in the corresponding prior-year period due to the discontinuation of the minimum exchange rate by the Swiss National Bank, the value of the Swiss currency dropped slightly in the first six months of 2016.

See Annual Report 2015, page 197 ff

Apart from this, the other comprehensive income was influenced by the hedging of the currency risk for future goods purchases in USD, of purchase prices that depend on exchange rates as well as the hedging of the interest rate risk of a loan subject to 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.

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 33 f

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

Assets

The reduction in trade receivables in the reporting period resulted from seasonal fluctuations during the year, with a high-revenue final quarter. Time deposits and securities underwent a decline, as some of them reached maturity in the first half of the year and were not reinvested. The rise in inventories was necessitated by the further increased business volume.

Equity

Retained Earnings

At the Annual General Meeting on 9 June 2016, a resolution was adopted to pay a dividend of €1.40 per no-par share with dividend entitlement for the fiscal year 2015. The dividend was paid out on 10 June 2016.

Dividends paid

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:

€k

	30.06.2016			31.12.2015		
	Before taxes	Income tax effects	After taxes	Before taxes	Income tax effects	After taxes
Actuarial gains and losses on pension provisions	−21,089	3,726	**−17,363**	−21,185	3,742	**−17,443**
Unrealised gains and losses on securities	-2	0	**-2**	-8	1	**-7**
Unrealised gains and losses on financial derivatives	2,296	−680	**1,616**	3,100	−918	**2,182**
Currency translation differences of net investments in foreign operations	0	0	**0**	0	0	**0**
Hedging of net investments in foreign operations	−16,323	4,786	**−11,537**	−15,514	4,546	**−10,968**
Currency translation differences	24,077	0	**24,077**	25,450	0	**25,450**
Other comprehensive income	**−11,041**	**7,832**	**−3,209**	**−8,157**	**7,371**	**−786**

€k

	01.01–30.06.2016			01.01–30.06.2015		
	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	**96**	**–16**	**80**	**–2,249**	**407**	**–1,842**
Items that will be reclassified to profit or loss in subsequent periods						
Unrealised gains and losses on securities	**6**	**–1**	**5**	**–41**	**2**	**–39**
Gains and losses that arose in the current period	6	–1	5	–25	1	–24
Reclassifications to profit and loss	0	0	0	–16	1	–15
Unrealised gains and losses on financial derivatives	**–804**	**238**	**–566**	**944**	**–236**	**708**
Gains and losses that arose in the current period	–786	233	–553	1,675	–462	1,213
Reclassifications to profit and loss	–18	5	–13	–731	226	–505
Currency translation differences of net investments in foreign operations	**0**	**0**	**0**	**0**	**0**	**0**
Gains and losses that arose in the current period	0	0	0	0	0	0
Reclassifications to profit and loss	0	0	0	0	0	0
Hedging of net investments in foreign operations	**–809**	**240**	**–569**	**–7,722**	**2,287**	**–5,435**
Gains and losses that arose in the current period	–809	240	–569	–7,722	2,287	–5,435
Reclassifications to profit and loss	0	0	0	0	0	0
Currency translation differences	**–1,373**	**0**	**–1,373**	**11,765**	**0**	**11,765**
Other comprehensive income	**–2,884**	**461**	**–2,423**	**2,697**	**2,460**	**5,157**

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 decline in current other liabilities is the result of the lower liabilities to employees. Due to the positive business performance and the associated performance-related compensation components of the employees, these had increased as of 31 December 2015.

For further details of the loans, see Annual Report 2015, page 189 f

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

VI. NOTES TO THE CASH FLOW STATEMENT

The year-on-year decrease in the cash flow from operating activities was mainly marked by the higher outflow for the increase in inventories and the reduction of trade payables.

In the field of investment activities, the time deposits and securities that reached maturity were not reinvested. Due to the lower acquisition volume, the outflow in the reporting period was much lower than in the corresponding prior-year period. The inflow from interest income attributable to long-term trade receivables is presented under the cash flow from operating activities.

The cash flow from financing activities was mainly marked by the dividend that was paid out in the reporting period. The dividend for the fiscal year 2015 amounted to €29,400 thousand. The dividend for the fiscal year 2014, which had been paid out in the prior year, had amounted to €25,200 thousand. In the corresponding prior-year period, acquisitions had resulted in higher inflows from the assumption of new financial liabilities.

VII. OPERATING LEASES

Future minimum lease payments from rental and leasing contracts classified as "operating leases" according to IAS 17 amounted to €74,049 thousand as of 30 June 2016 (31 December 2015: €75,048 thousand).

€k

	30.06.2016	31.12.2015
Due within one year	30,631	28,030
Due between one and five years	37,512	38,664
Due after five years	5,906	8,354
Minimum lease payments	**74,049**	**75,048**

VIII. FINANCE LEASES

As of the closing date, the trade receivables contained finance leasing receivables amounting to €12,683 thousand (31 December 2015: €16,159 thousand). The reconciliation of the net investment accounted for with the gross investment under consideration of the residual values is presented in the following table.

€k

	30.06.2016			31.12.2015		
	Repayment	Interest	Lease payments	Repayment	Interest	Lease payments
Due within one year	8,861	629	9,490	3,942	1,265	5,207
Due between one and five years	3,822	289	4,111	11,674	1,753	13,427
Due after five years	0	0	0	543	6	549
Minimum lease payments	**12,683**	**918**	**13,601**	**16,159**	**3,024**	**19,183**

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

See Annual Report 2015, page 168 f and page 194 ff

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 2015.

According to IFRS 13, the assessment methods are divided into the following three levels, depending on the key parameters on which the assessment is based:
Level 1: Assessment at prices (not adjusted) quoted on active markets for identical assets and liabilities
Level 2: Assessment 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: Assessment 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:

Class pursuant to IFRS 7	Measurement category	Carrying amount 30.06.2016	Fair value 30.06.2016	Carrying amount 31.12.2015	Fair value 31.12.2015	Level
						€k
Assets						
Non-current trade receivables	LAR	5,423	5,570	9,803	9,950	3
Long-term leasing receivables	IAS 17	3,822	4,064	12,217	13,130	3
Current trade receivables	LAR	387,085	387,085	402,224	402,224	3
Current leasing receivables	IAS 17	8,861	8,861	3,943	3,943	3
Securities	AFS	2,009	2,009	2,146	2,146	1
Time deposits						
Bond loans	LAR	15,019	15,045	25,028	25,314	2
Fixed-term deposits	LAR	0	0	9,520	9,518	2
Insurances	LAR	5,261	5,261	5,199	5,199	3
Other financial assets	LAR	22,200	22,200	30,839	30,839	3
Long-term lending	LAR	482	525	505	544	3
Financial derivatives						
Derivatives with hedge relationship	n/a	2,324	2,324	3,499	3,499	2
Derivatives without hedge relationship	FAFVPL	422	422	302	302	2
Cash and cash equivalents	LAR	139,628	139,628	164,767	164,767	1
Equity and liabilities						
Loans	FLAC	60,831	69,872	66,020	75,471	2
Non-current trade payables	FLAC	192	187	360	353	3
Current trade payables	FLAC	176,084	176,084	204,067	204,067	3
Other financial liabilities	FLAC	54,679	54,679	69,198	69,198	3
Liabilities resulting from acquisitions	FLFVPL	7,283	7,283	7,714	7,714	3
Financial derivatives						
Derivatives with hedge relationship	n/a	137	137	37	37	2
Derivatives without hedge relationship	FLFVPL	1,578	1,578	231	231	2
Thereof aggregated according to valuation category pursuant to IAS 39	LAR	575,098	575,314	647,885	648,355	
	AFS	2,009	2,009	2,146	2,146	
	FLAC	291,786	300,822	339,645	349,089	
	FAFVPL	422	422	302	302	
	FLFVPL	8,861	8,861	7,945	7,945	

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 or loss

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

During the reporting period there were no reclassifications between assessments at fair value of Level 1 and Level 2 and no reclassifications to or from assessments at fair value of Level 3.

See Annual Report 2015, page 195

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.

Liabilities from acquisitions developed as follows:

€k

		Total gains and losses						
Financial assets and liabilities in Level 3	01.01.2016	Included in financial earnings	Included in other comprehensive income outside profit or loss	Included in other operating income	Additions	Compen-sation/ settlement	Reclassi-fication	**30.06.2016**
Liabilities resulting from acquisitions	7,714	67	0	0	0	–498	0	**7,283**

The €67 thousand posted as expense under financial earnings were fully attributable to future payments accounted for as of 30 June 2016.

X. SEGMENT INFORMATION

The segment information is presented on the basis of the same principles as in the consolidated financial statements for fiscal year 2015.

€k

	01.01 – 30.06.2016			01.01 – 30.06.2015		
By segments	IT system house & managed services	IT e-commerce	Group	IT system house & managed services	IT e-commerce	Group
Total segment revenue	954,200	478,445		855,443	455,188	
less intersegment revenue	–2,149	–2,198		–1,274	–845	
Revenue	952,051	476,247	**1,428,298**	854,169	454,343	**1,308,512**
Depreciation and amortisation	–9,036	–2,512	**–11,548**	–7,782	–2,442	**–10,224**
Segment result	41,142	20,474	**61,616**	32,747	18,856	**51,603**
Amortisation from acquisitions	–2,399	0	**–2,399**	–2,435	0	**–2,435**
Earnings before interest and taxes	38,743	20,474	**59,217**	30,312	18,856	**49,168**
Financial earnings			**–207**			**–12**
Earnings before taxes			**59,010**			**49,156**
Income taxes			**–17,184**			**–14,702**
Earnings after taxes			**41,826**			**34,454**
Investments	9,582	3,877	**13,459**	7,411	3,934	**11,345**
Investments through acquisitions	1,210	0	**1,210**	21,481	0	**21,481**

€k

By regions	01.01 – 30.06.2016 Domestic	Abroad	Group	01.01 – 30.06.2015 Domestic	Abroad	Group
Revenue	986,621	441,677	**1,428,298**	879,913	428,599	**1,308,512**
Investments	10,735	2,724	**13,459**	8,406	2,939	**11,345**
Investments through acquisitions	0	1,210	**1,210**	23,560	–2,079	**21,481**

Segment information on employees, see page 41

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

XI. ACQUISITIONS AND PURCHASE PRICE ALLOCATION

Niederer Engineering AG

As of the acquisition date 1 January 2016, the company acquired all interests in Niederer Engineering AG in Abtwil in the canton of St. Gallen.

The acquisition was recognised in the balance sheet according to the purchase method (IFRS 3.4 ff) and must still be considered provisional (IFRS 3.45).

Apart from the assets and liabilities already recognised by the acquired company, whose carrying amounts corresponded to their fair value, a customer base (€665 thousand) was newly recognised as an identifiable asset (IFRS 3.10 ff) and measured at fair value as of the acquisition date (IFRS 3.18 ff).

Deferred tax liabilities (€133 thousand) were recognised in connection with the capitalisation of the customer base, which will be amortised over a period of five years.

Under consideration of the acquired total net assets (€602 thousand), the capital consolidation resulted in a preliminary difference of €545 thousand that is presented as goodwill. This goodwill is not recognised for tax purposes.

By acquiring Niederer, Bechtle has gained a specialised consultant and service provider for IT infrastructure solutions of the manufacturer Hewlett Packard (HP). Besides enterprise customers, Niederer's team supervises several universities as HP "Higher Education partner".

The company purchase agreement for the acquisition of Niederer Engineering AG does not contain any contingent purchase price payment that depends on the acquired company's future business performance.

The acquisition costs (€1,147 thousand) resulted in an outflow of cash and cash equivalents.

The receivables taken over were not subject to any major impairment.

€k

	Niederer
Non-current assets	
Goodwill	545
Other intangible assets	665
Property, plant and equipment	0
Deferred taxes	0
Other assets	0
Total non-current assets	**1,210**
Current assets	
Inventories	0
Trade receivables	975
Other assets	0
Cash and cash equivalents	111
Total current assets	**1,086**
Total assets	**2,296**
Non-current liabilities	
Other provisions	5
Deferred taxes	137
Other liabilities	0
Total non-current liabilities	**142**
Current liabilities	
Trade payables	282
Income tax liabilities	0
Other provisions and liabilities	718
Deferred income	7
Total current liabilities	**1,007**
Total liabilities	**1,149**
Total assets – Total liabilities = Acquisition costs	**1,147**

XII. EMPLOYEES

The employee numbers were as follows:

	30.06.2016	31.12.2015	01.01 – 30.06.2016	01.01 – 30.06.2015
Full-time and part-time employees	6,796	6,611	6,717	6,211
Trainees	402	473	431	414
Employees on parental leave	130	121	124	116
Temporary staff	252	235	236	236
Total	**7,580**	**7,440**	**7,508**	**6,977**

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

	30.06.2016	31.12.2015	01.01 – 30.06.2016	01.01 – 30.06.2015
IT system house & managed services	**5,803**	**5,766**	**5,788**	**5,296**
Domestic	5,214	5,142	5,187	4,667
Abroad	589	624	601	629
IT e-commerce	**1,525**	**1,439**	**1,484**	**1,445**
Domestic	530	491	511	507
Abroad	995	948	973	938

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

	30.06.2016	31.12.2015	01.01 – 30.06.2016	01.01 – 30.06.2015
Services	3,382	3,382	3,368	3,091
Sales	2,249	2,115	2,202	2,072
Administration	1,567	1,587	1,578	1,462

See Annual Report 2015, page 219 f

XIII. NOTEWORTHY EVENTS AFTER THE REPORTING PERIOD

As of the acquisition date of 1 July 2016, Bechtle purchased 100 per cent of the shares of the holding company SI Management AG in Mägenwil, Aargau, Switzerland. SI Management AG holds 100 per cent of the shares of Steffen Informatik AG in Mägenwil, Aargau, Switzerland.

The IT system house was established in 1989 and has 120 employees at five locations. Apart from the conventional system house business, Steffen Informatik is especially proficient in the field of outsourcing, managed services and a wide spectrum of cloud services. In this way, Bechtle has significantly strengthened its own service portfolio in strategically important areas. On the other hand, Steffen Informatik can benefit from Bechtle's strong sales organisation for the purpose of achieving additional growth in the service business.

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/assessment 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 annual financial statements as of 31 December 2016 (IFRS 3.45).

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

Neckarsulm, 10 August 2016

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, 10 August 2016

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.

Publisher/Contact

Bechtle AG
Bechtle Platz 1
74172 Neckarsulm
Germany

Investor Relations

Martin Link	Julia Hofmann
Phone +49 7132 981-4149	Phone +49 7132 981-4153
martin.link@bechtle.com	julia.hofmann@bechtle.com

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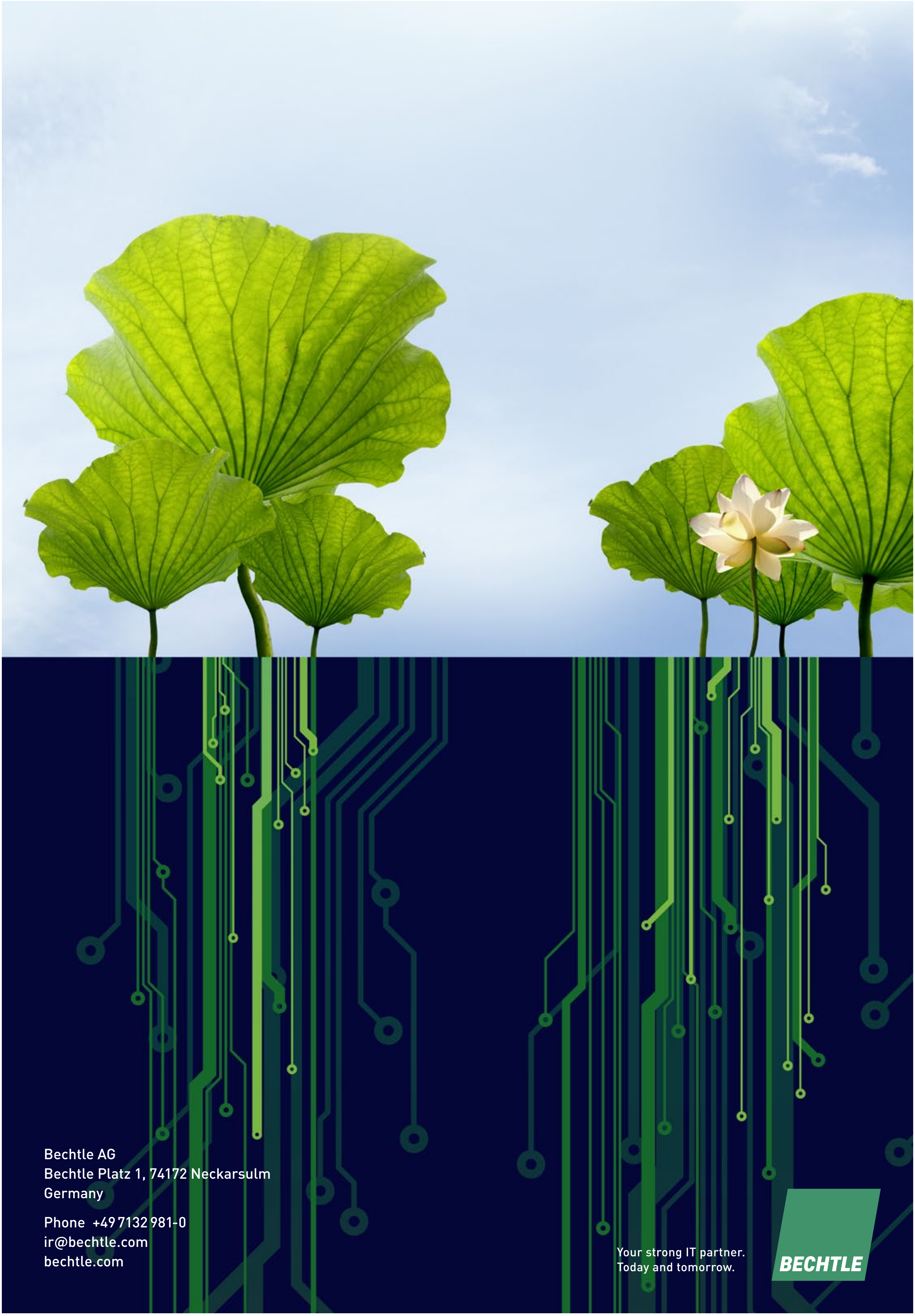
FINANCIAL CALENDAR

Half-year Financial Report 2016 (30 June)
Thursday, 11 August 2016

Quarterly Statement 3rd Quarter 2016 (30 September)
Friday, 11 November 2016

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



Bechtle AG
Bechtle Platz 1, 74172 Neckarsulm
Germany

Phone +49 7132 981-0
ir@bechtle.com
bechtle.com

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