

3RD QUARTER 2021

QUARTERLY STATEMENT AS OF 30 SEPTEMBER 2021

Your strong IT partner.
Today and tomorrow.

BECHTLE

KEY FIGURES OF THE BECHTLE GROUP AT A GLANCE

		01.01- 30.09.2021	01.01- 30.09.2020	Change in %
Revenue	€k	4,439,087	4,037,046	10.0
IT System House & Managed Services	€k	2,812,854	2,670,956	5.3
IT E-Commerce	€k	1,626,233	1,366,090	19.0
EBITDA	€k	308,686	257,611	19.8
IT System House & Managed Services	€k	211,085	175,681	20.2
IT E-Commerce	€k	97,601	81,930	19.1
EBIT	€k	233,172	185,509	25.7
IT System House & Managed Services	€k	156,328	122,698	27.4
IT E-Commerce	€k	76,844	62,811	22.3
EBIT margin	%	5.3	4.6	
IT System House & Managed Services	%	5.6	4.6	
IT E-Commerce	%	4.7	4.6	
EBT	€k	229,207	180,787	26.8
EBT margin	%	5.2	4.5	
Earnings after taxes	€k	163,788	128,025	27.9
Earnings per share	€	1.30	1.02¹	27.9
Return on equity²	%	19.7	17.6	
Cash flow from operating activities	€k	25,803	173,257³	-85.1
Number of employees (as of 30.09)		12,744	12,055	5.7
IT System House & Managed Services		10,111	9,571	5.6
IT E-Commerce		2,633	2,484	6.0

		30.09.2021	31.12.2020	Change in %
Cash and cash equivalents⁴	€k	230,409	403,173	-42.9
Working Capital	€k	827,928	652,674	26.9
Equity ratio	%	46.8	43.2	

¹ Adapted to share split

² Annualised

³ Prior year adjusted

⁴ Incl. time deposits and securities

REVIEW BY QUARTER 2021

		1st Quarter 01.01-31.03	2nd Quarter 01.04-30.06	3rd Quarter 01.07-30.09	4th Quarter 01.10-31.12	2021 FY 01.01-30.09
Revenue	€k	1,510,202	1,432,793	1,496,092		4,439,087
EBITDA	€k	86,951	107,547	114,188		308,686
EBIT	€k	62,134	82,613	88,425		233,172
EBT	€k	60,988	81,191	87,028		229,207
EBT margin	%	4.0	5.7	5.8		5.2
Earnings after taxes	€k	43,624	57,433	62,731		163,788

EARNINGS POSITION

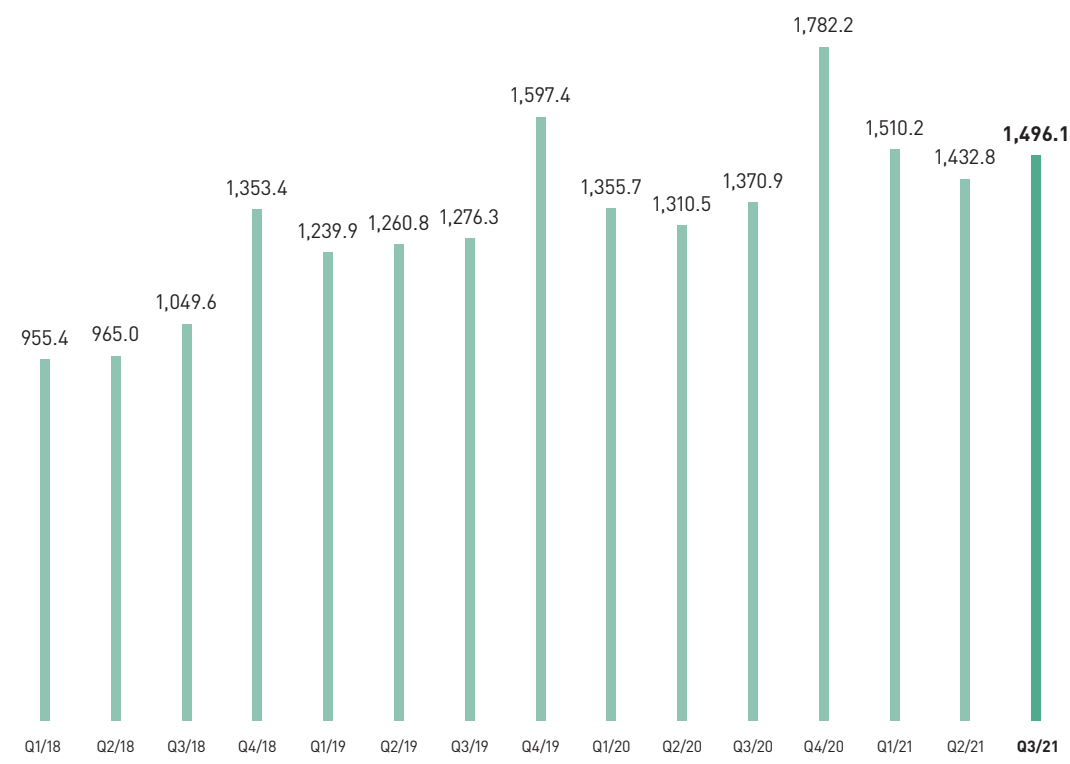
Despite the continuing supply bottlenecks, the Bechtle Group was able to significantly increase its revenue in the third quarter of 2021.

As of 30 September 2021, the order backlog had risen by more than 75 per cent to €1,503 million (prior year: €854 million). Of this amount, the IT System House & Managed Services segment accounted for €1,064 million (prior year: €690 million), and the IT E-Commerce segment for €439 million (prior year: €164 million).

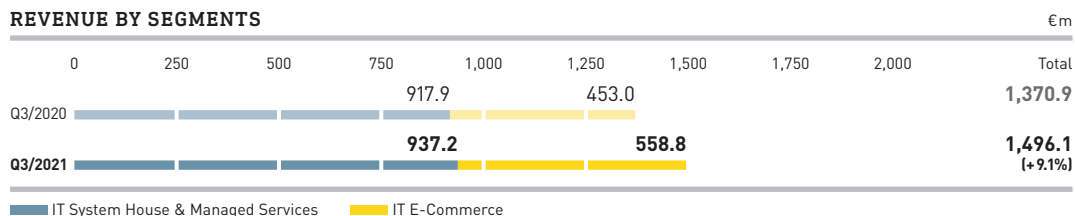
Year on year, the revenue went up 9.1 per cent to €1,496.1 million. The organic revenue growth amounted to 8.9 per cent.

GROUP REVENUE

€m



The revenue in the IT E-Commerce segment climbed by 23.4 per cent. Substantial growth was achieved abroad (19.9 per cent) and even more so in Germany (35.6 per cent). The IT System House & Managed Services segment increased its revenue by 2.1 per cent. The main growth drivers were the system houses in Germany, which recorded growth of 3.4 per cent. The organic growth rate in this segment was 1.8 per cent.

REVENUE BY SEGMENTS

The companies abroad recorded revenue growth of 12.7 per cent, while revenue of the domestic companies grew by 7.1 per cent. The organic growth rates amounted to 12.2 per cent abroad and 7.1 per cent in Germany.

REVENUE – GROUP AND SEGMENTS

€k

	Q3/2021	Q3/2020	Change
Group	1,496,092	1,370,856	9.1%
Domestic	938,876	876,538	7.1%
Abroad	557,216	494,318	12.7%
IT System House & Managed Services	937,249	917,897	2.1%
IT E-Commerce	558,843	452,959	23.4%

Gross earnings improved by a disproportionately high rate of 12.0 per cent. The gross margin thus went up from 15.0 per cent to 15.4 per cent. The material costs as well as the personnel expenses and depreciation and amortisation – which are included in the cost of sales – underwent disproportionately low growth. Other operating expenses, however, underwent higher growth of 21.4 per cent. This was due especially to the lower reference figures in the corresponding prior-year period, which had more benefited from coronavirus-related cost savings.

The expenses in the functional areas sales and administration developed differently. Administrative expenses went up merely by 1.6 per cent, and the expense ratio dropped from 4.7 per cent to 4.4 per cent. This was due to the changed allocation of employees to the respective functional areas. Distribution costs went up by 16.4 per cent, also due to the lower reference figures, as mentioned above. Accordingly, the expense ratio climbed from 5.4 per cent to 5.8 per cent. Other operating income increased to €9.8 million, especially due to the deconsolidation of PSB IT-Service GmbH and higher marketing grants.

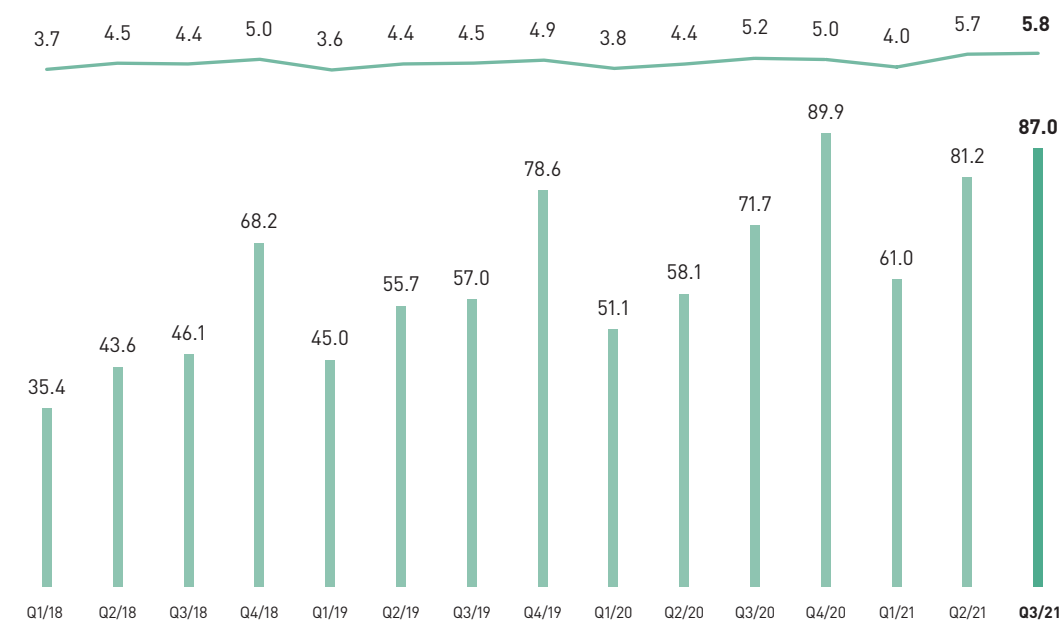
Year on year, EBITDA grew 17.1 per cent, and the EBITDA margin rose from 7.1 per cent to 7.6 per cent.

Depreciation and amortisation went up by 6.4 per cent and amounted to €25.8 million as of the end of the quarter. As previously, depreciation of property, plant and equipment accounted for the largest share of the depreciation and amortisation, rising by about €2 million to €22.1 million.

EBIT went up by 20.6 per cent to €88.4 million. The margin was 5.9 per cent, compared to 5.4 per cent in the prior year.

EBT AND EBT MARGIN

€m and %



The tax rate declined from 29.2 per cent to 27.9 per cent. Earnings after taxes grew by 23.6 per cent to €62.7 million. EPS amounted to €0.50 (prior year: €0.40).

The earnings situation in the segments was as follows:

EBIT in the IT System House & Managed Services segment increased 23.3 per cent to €61.7 million. One of the factors that impacted this item was the above-mentioned special effect from the deconsolidation of PSB IT-Service in the amount of net about €3 million. At the operational level, the earnings increase reflects amongst others the high stock levels in connection with the current price development in the IT market as well as a stable development in the project business. The EBIT margin thus improved from 5.5 per cent to 6.6 per cent.

EBIT in the IT E-Commerce segment climbed 14.6 per cent to €26.7 million. The EBIT margin was 4.8 per cent, after 5.1 per cent in the prior year. This development was driven mainly by the rebounding share of high-volume business.

EBIT – GROUP AND SEGMENTS

€k

	Q3/2021	Q3/2020	Change
Group	88,425	73,342	20.6%
IT System House & Managed Services	61,711	50,036	23.3%
IT E-Commerce	26,714	23,306	14.6%

ASSETS AND FINANCIAL POSITION

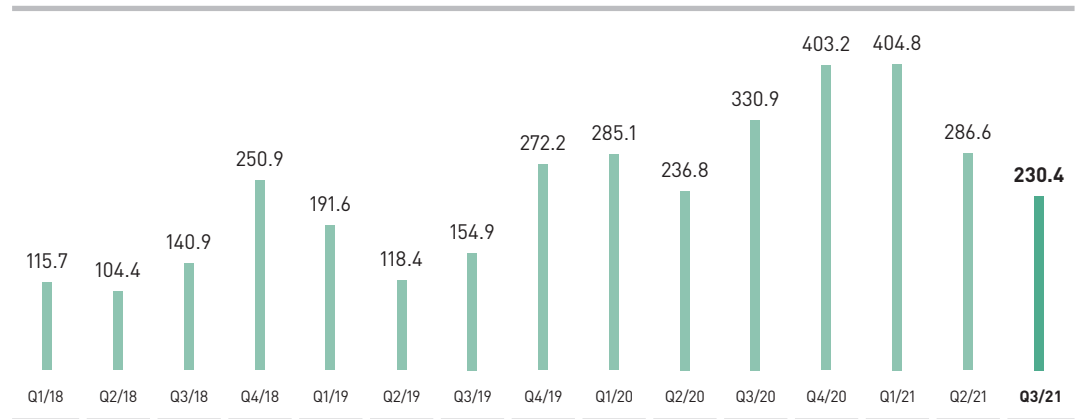
As of 30 September 2021, the balance sheet total of the Bechtle Group amounted to €2,711.2 million, slightly more than as of 31 December 2020 (€2,687.1 million).

On the assets side, non-current assets merely underwent a slight change, increasing from €958.9 million as of 31 December 2020 to €968.4 million as of the reporting date. The capitalisation ratio remained steady at 35.7 per cent.

Among the current assets, inventories climbed from €301.7 million to €475.2 million. The increase is mainly associated with the global supply difficulties. To maximise the availability for customers, Bechtle was quick to increase its free stock levels. The inventories also include products that belong to specific projects, but that have not yet been delivered due to missing components of an overall order. As of 30 September 2021, trade receivables totalled €880.6 million, merely unchanged. In the first nine months of 2021, our average DSO (days sales outstanding) underwent a slight year-on-year increase from 41.2 days to 41.8 days. Especially as a result of the dividend payment and premature repayment of non-current financial liabilities, cash and cash equivalents dropped by €193.1 million. The total liquidity of the Bechtle Group thus amounts to €230.4 million.

LIQUIDITY (INCLUDING TIME DEPOSITS AND SECURITIES)

€m



The working capital climbed from €652.7 million to €827.9 million as of 30 September 2021. This was especially due to the substantial increase in inventories. In relation to the revenue, the working capital increased from 15.3 per cent as of 30 September 2020 to 18.7 per cent as of the reporting date.

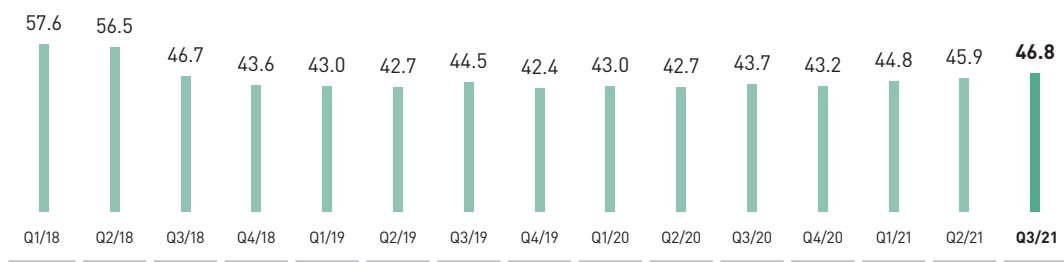
On the equity and liabilities side, non-current liabilities declined by €71.5 million to €528.4 million. This was due mainly to the reduction of financial liabilities as a result of premature repayments.

For reasons related to the reporting date, current financial liabilities increased by €26.0 million. Trade payables dropped €10.1 million. Owing to lower liabilities to personnel and lower VAT liabilities, other liabilities also underwent a decline of €22.7 million.

The equity increased by €106.3 million. Our equity ratio went up from 43.2 per cent as of 31 December 2020 to 46.8 per cent. The extrapolated return amounted to 19.7 per cent (prior year: 17.6 per cent).

EQUITY RATIO

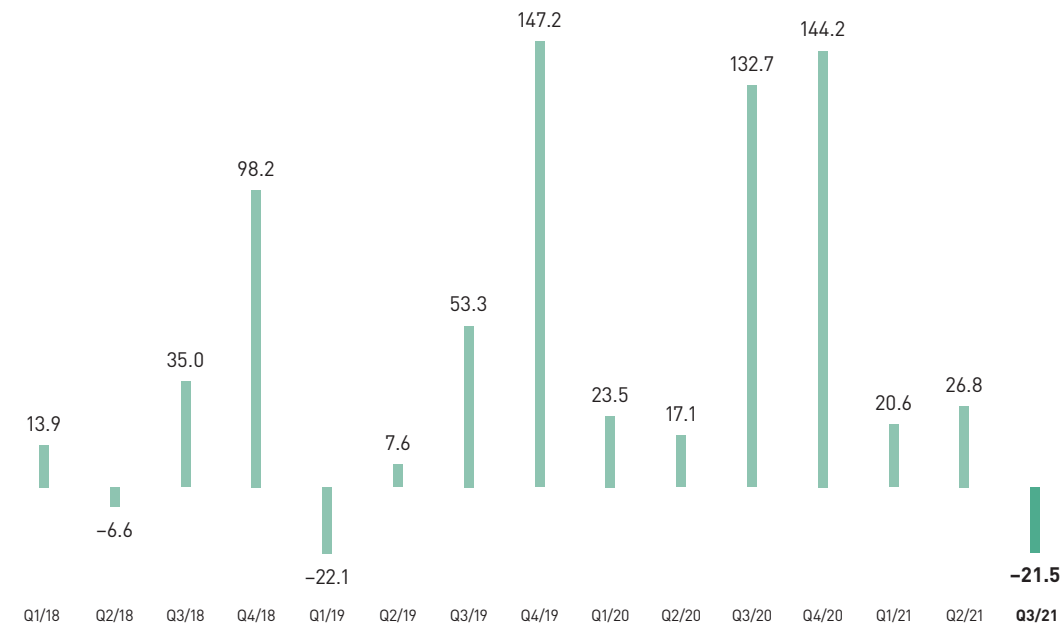
%



In the period from January to September 2021, the cash flow from operating activities amounted to €25.8 million (prior year: €173.3 million). This was due especially to the temporarily significant increase in inventories and a lower reduction of trade receivables. This development could not be compensated by the greater increase in trade payables.

CASH FLOW FROM OPERATING ACTIVITIES

€m



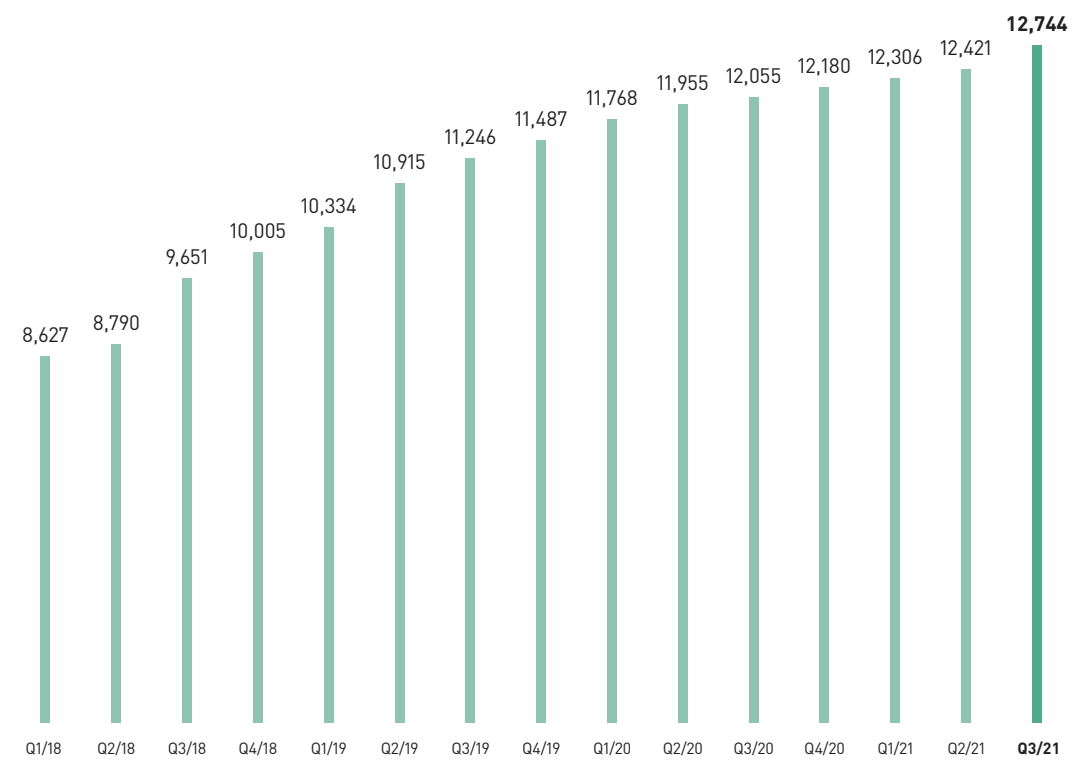
The cash flow from investing activities amounted to -€60.8 million (prior year: -€125.1 million), due especially to the lower outflow for acquisitions. Particularly due to the higher outflow for the repayment of financial liabilities, the cash flow from financing activities increased to -€159.5 million (prior year: -€28.3 million).

In the reporting period, the free cash flow amounted to -€15.6 million (prior year: €88.4 million).

EMPLOYEES

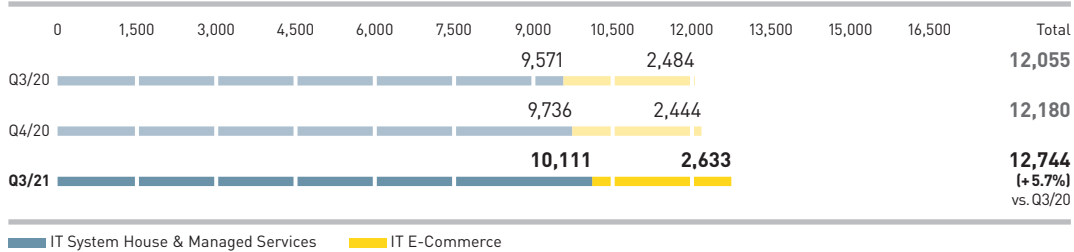
As of the reporting date of 30 September 2021, the Bechtle Group had a total of 12,744 employees, 689 people or 5.7 per cent more than on 30 September 2020. The increase was largely the result of newly recruited people as well as 155 people who joined Bechtle as a result of acquisitions.

EMPLOYEES IN THE GROUP



In the IT System House & Managed Services segment, the number of employees went up by 540 compared to 30 September 2020, an increase of 5.6 per cent. At 14.2 per cent, the headcount increase in the system houses abroad was significantly higher than in Germany, also due to acquisitions. In Germany, the number of employees grew 4.2 per cent. In the E-Commerce segment, the number of employees went up by 149 compared to 30 September 2020. At 8.1 and 5.1 per cent, respectively, the number of employees went up due to new recruitment both in Germany and abroad.

From January to September 2021, the average number of employees in the group amounted to 12,400, a year-on-year increase of 524 or 4.4 per cent.

EMPLOYEES BY SEGMENTS

As of 30 September 2021, Bechtle had 709 young trainees, 10 apprentices and students on integrated degree programmes more than in the prior year. At the start of the new training year on 1 September 2021, a total of 244 young people embarked on their career with Bechtle – more than ever.

FORECAST

The situation on the global IT market is overshadowed by ongoing problems in the supply chain. In view of the current uncertainties, it is rather difficult to predict how things will develop in the remaining course of the year. Nevertheless, we expect the business performance of the Bechtle Group to be positive, and we affirm our forecast for the year 2021 as a whole, which we had increased and published in August (see pages 22 ff. of the half-yearly report). Accordingly, revenue is expected to increase significantly, earnings before taxes very significantly and the EBT margin to be higher than in the previous year.

CONSOLIDATED INCOME STATEMENT

	€k			
	01.07- 30.09.2021	01.07- 30.09.2020	01.01- 30.09.2021	01.01- 30.09.2020
Revenue	1,496,092	1,370,856	4,439,087	4,037,046
Cost of sales	1,265,583	1,165,136	3,771,712	3,431,911
Gross profit	230,509	205,720	667,375	605,135
Distribution costs	86,661	74,425	255,394	229,662
Administrative expenses	65,206	64,189	201,088	205,719
Other operating income	9,783	6,236	22,279	15,755
Earnings before interest and taxes	88,425	73,342	233,172	185,509
Financial income	267	230	1,111	737
Financial expenses	1,664	1,899	5,076	5,459
Earnings before taxes	87,028	71,673	229,207	180,787
Income taxes	24,297	20,916	65,419	52,762
Earnings after taxes (attributable to shareholders of Bechtle AG)	62,731	50,757	163,788	128,025
Net earnings per share (basic and diluted)	€ 0.50	0.40¹	1.30	1.02¹
Weighted average shares outstanding (basic and diluted)	126,000	126,000¹	126,000	126,000¹
		in thousands		

¹ Adjusted for bonus shares

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	€k			
	01.07- 30.09.2021	01.07- 30.09.2020	01.01- 30.09.2021	01.01- 30.09.2020
Earnings after taxes	62,731	50,757	163,788	128,025
Other comprehensive income				
Items that will not be reclassified to profit or loss in subsequent periods				
Actuarial gains and losses on pension provisions	-98	192	19	-1,447
Income tax effects	20	-25	-4	290
Items that will be reclassified to profit or loss in subsequent periods				
Unrealised gains and losses on securities	470	-48	704	-171
Income tax effects	-157	-3	-259	1
Currency translation differences of net investments in foreign operations	-5,077	2,491	-2,044	4,937
Income tax effects	1,530	-739	616	-1,466
Currency translation differences	2,725	-2,609	164	580
Other comprehensive income	-587	-741	-804	2,724
of which income tax effects	1,393	-767	353	-1,175
Total comprehensive income (attributable to shareholders of Bechtle AG)	62,144	50,016	162,984	130,749

CONSOLIDATED BALANCE SHEET

ASSETS	€k		
	30.09.2021	31.12.2020	30.09.2020
Non-current assets			
Goodwill	455,816	448,313	443,046
Other intangible assets	101,412	113,241	116,239
Property, plant and equipment	340,307	327,215	307,589
Trade receivables	50,146	55,903	57,351
Deferred taxes	12,640	6,770	7,047
Other assets	8,095	7,448	7,270
Langfristige Vermögenswerte, gesamt	968,416	958,890	938,542
Total non-current assets			
Inventories	475,202	301,663	356,848
Trade receivables	880,643	877,173	714,621
Income tax receivables	2,480	2,289	2,210
Other assets	154,091	143,928	161,131
Time deposits and securities	60,311	40,002	40,001
Cash and cash equivalents	170,098	363,171	290,855
Total current assets	1,742,825	1,728,226	1,565,666
Total assets	2,711,241	2,687,116	2,504,208

EQUITY AND LIABILITIES

€k

	30.09.2021	31.12.2020	30.09.2020
Equity			
Issued capital	126,000	42,000	42,000
Capital reserves	40,228	124,228	124,228
Retained earnings	1,102,085	995,801	928,963
Total equity	1,268,313	1,162,029	1,095,191
Non-current liabilities			
Pension provisions	33,113	31,022	32,086
Other provisions	10,893	11,055	10,547
Financial liabilities	320,359	393,541	423,740
Trade payables	6,680	6,262	11,406
Deferred taxes	26,059	26,140	37,676
Other liabilities	106,778	108,590	103,021
Contract liabilities	23,411	20,884	21,786
Deferred income	1,058	2,393	3,313
Total non-current liabilities	528,351	599,887	643,575
Current liabilities			
Other provisions	25,937	22,831	15,465
Financial liabilities	44,876	18,913	22,582
Trade payables	415,750	425,875	357,566
Income tax payables	38,462	45,964	21,286
Other liabilities	231,243	253,921	207,335
Contract liabilities	122,148	130,594	108,869
Deferred income	36,161	27,102	32,339
Total current liabilities	914,577	925,200	765,442
Total equity and liabilities	2,711,241	2,687,116	2,504,208

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 2020	42,000	124,228	840,067	8,547	848,614	1,014,842
Distribution of profits for 2019			-50,400		-50,400	-50,400
Earnings after taxes			128,025		128,025	128,025
Other comprehensive income				2,724	2,724	2,724
Total comprehensive income	0	0	128,025	2,724	130,749	130,749
Equity as of 30 September 2020	42,000	124,228	917,692	11,271	928,963	1,095,191
Equity as of 1 January 2021	42,000	124,228	982,214	13,587	995,801	1,162,029
Distribution of profits for 2020			-56,700		-56,700	-56,700
Earnings after taxes			163,788		163,788	163,788
Other comprehensive income				-804	-804	-804
Total comprehensive income	0	0	163,788	-804	162,984	162,984
Capital increase from company funds	84,000	-84,000			0	0
Equity as of 30 September 2021	126,000	40,228	1,089,302	12,783	1,102,085	1,268,313

CONSOLIDATED CASH FLOW STATEMENT

	€k			
	01.07- 30.09.2021	01.07- 30.09.2020	01.01- 30.09.2021	01.01- 30.09.2020
Operating activities				
Earnings before taxes	87,028	71,673	229,207	180,787
Adjustment for non-cash expenses and income				
Financial earnings	1,397	1,669	3,965	4,722
Depreciation and amortisation of intangible assets and property, plant and equipment	25,763	24,205	75,514	72,102
Gains and losses on disposal of intangible assets and property, plant and equipment	-770	-846	-827	-831
Other non-cash expenses and income	-383	2,808	4,037	10,922
Changes in net assets				
Changes in inventories	-59,482	33,266	-174,734	-71,924
Changes in trade receivables	-72,422	26,330	6,751	124,738
Changes in trade payables	6,339	12,760	5,883	-39,367
Changes in deferred income	-9,346	-9,107	-6,082	-401
Changes in other net assets	21,242	-11,818	-38,867	-53,001 ¹
Income taxes paid	-20,907	-18,209	-79,044	-54,490
Cash flow from operating activities	-21,541	132,731	25,803	173,257¹
Investing activity				
Cash paid for acquisitions less cash acquired	-4,863	-5,514	-5,148	-55,298
Cash paid for investments in intangible assets and property, plant and equipment	-16,368	-12,365	-42,522	-39,018
Cash received from the sale of intangible assets and property, plant and equipment	3,892	5,144	6,288	9,467
Cash paid for acquisitions of time deposits and securities	1	0	-50,308	-40,001
Cash received from the sale of time deposits and securities, and from redemptions of non-current assets	0	0	30,000	0
Interest payments received	280	-713	864	-267
Cash flow from investing activities	-17,058	-13,448	-60,826	-125,117
Financing activities				
Cash paid for the repayment of financial liabilities	-5,516	-3,182	-70,125	-9,698
Cash received from the assumption of financial liabilities	-537	-6,815	5,574	68,345
Dividends paid	0	0	-56,700	-50,400
Interest paid	-634	-619	-2,156	-2,076 ¹
Outflow for the repayment of finance leases	-12,047	-12,872	-36,129	-34,435
Cash flow from financing activities	-18,734	-23,488	-159,536	-28,264¹
Exchange-rate-related changes in cash and cash equivalents	1,125	-1,774	1,486	-1,218
Changes in cash and cash equivalents	-56,208	94,021	-193,073	18,658
Cash and cash equivalents at beginning of the period	226,306	196,834	363,171	272,197
Cash and cash equivalents at the end of the period	170,098	290,855	170,098	290,855

¹ Prior year adjusted

FINANCIAL CALENDAR

QUARTERLY STATEMENT 3RD QUARTER 2021 (30 SEPTEMBER)

Thursday, 11 November 2021

ANNUAL REPORT 2021

Friday, 18 March 2022

ACCOUNTS PRESS CONFERENCE

Friday, 18 March 2022

ANALYSTS' CONFERENCE

Friday, 18 March 2022

QUARTERLY STATEMENT 1ST QUARTER 2022 (31 MARCH)

Thursday, 12 May 2022

ANNUAL GENERAL MEETING

Thursday, 2 June 2022

HALF-YEAR FINANCIAL REPORT 2022 (30 JUNE)

Thursday, 11 August 2022

QUARTERLY STATEMENT 3RD QUARTER 2022 (30 SEPTEMBER)

Thursday, 10 November 2022

See [bechtle.com/financial-calendar](https://www.bechtle.com/financial-calendar) for further dates and changes.

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The Quarterly Statement Q3/2021 was published on 11 November 2021.

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Today and tomorrow.

