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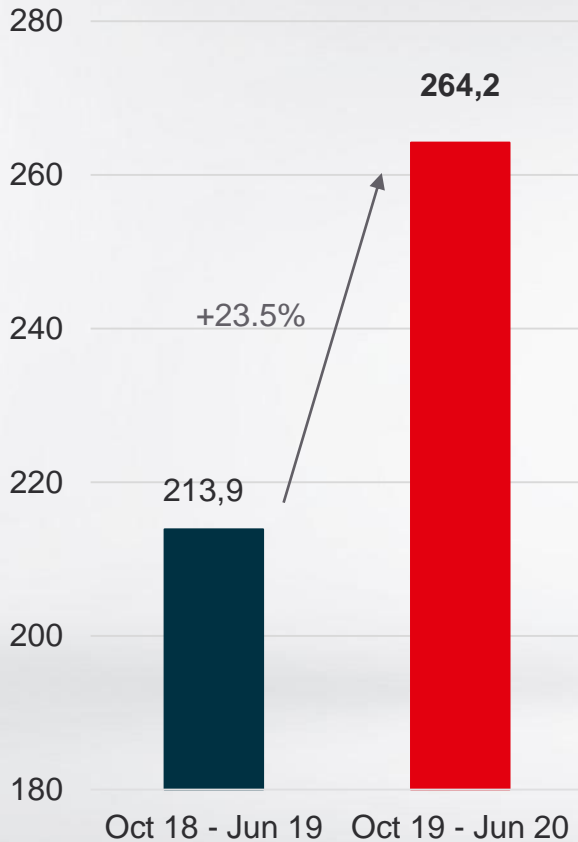
IT's that simple.

Analyst Call September 4th 2020

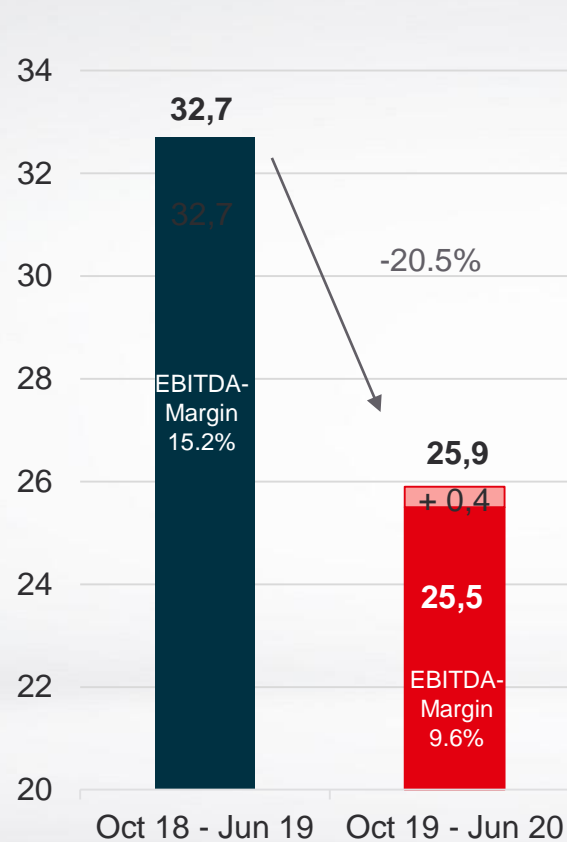


Q1 – Q3 19/20: Significant increase in revenues

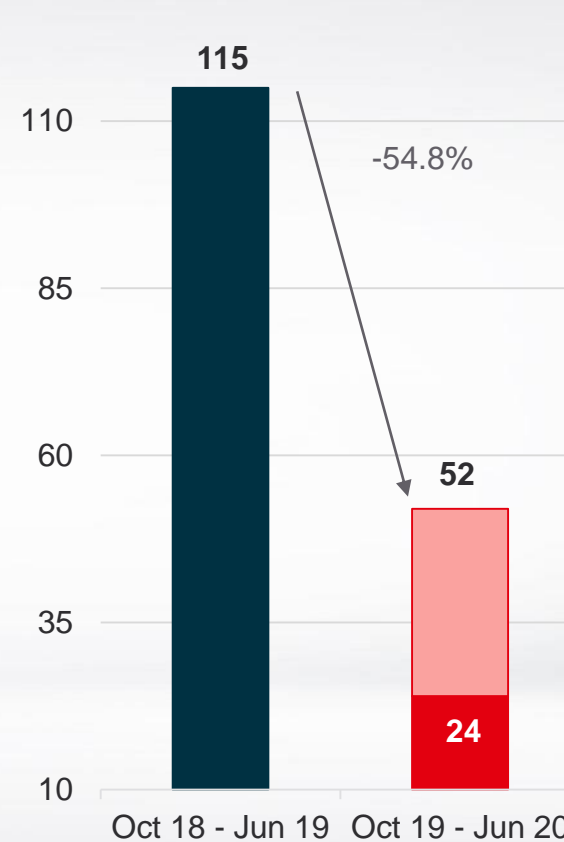
Revenue €m



EBITDA €m



EPS cents



Strong increase in revenue, EBITDA and EPS decline

- Extraordinary Effects on EBITDA:
 - € 11.6m positive effect from Portavis lucky buy
 - € 12.0m provisions

■ One-off effect, bad will Portavis



Selected Profit and Loss Statement Figures HY 19/20

Figures in € thousand	Q1-Q3 18/19	Q1-Q3Y 19/20	Changes
Revenues	213.919	264.243	23,5%
Other own work capitalised	457	724	36,8%
Total revenues	214.376	264.967	23,6%
<i>Material expenses / expenses for purchased services</i>	60395	86.756	43,6%
Gross profit	153.981	178.211	15,7%
<i>Personnel expenses</i>	107.455	136.894	27,4%
EBITDA	32.663	25.522	-21,9%
EBIT	16.088	3.641	-77,4%
<i>Financial result</i>	-1.748	-1.940	11,0%
EBT	14.340	1.701	-88,1%
Net income	9.615	1.989	-79,3%
EPS (in €)	1,15	0,24	-79,1%

Material and personnel expenses increased because of transition problems in DATAGROUP Financial IT Services GmbH (see next page)

Overproportional decline in EBIT and EBT/ EPS

Fiscal year 01.10. – 30.09.

Transitions Burden DATAGROUP Financial IT Services



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- Transitions for the new gained customers in DATAGROUP Financial IT Services suffered delays
- Due to Corona these problems were even increased – no on-site activities, no physical group meetings
- Much higher than expected time and headcount required for the transitions
- High level of complexity of new projects





Actions Taken by Management

- Implementation of task force since April
- Changes in local management (Termination of contracts with Management without notice)
- Improvement in cost-structures
- Re-design of business processes
- Close monitoring of development by TOP management



Corona-related Effects Impact Only Small Parts of DATAGROUP



- All market units are running at usual profitability
- Our strong customer basis with long-term contracts delivers stable, recurring revenues
- Almato AG (RPA business and mobilisation of business apps) has been affected by customers postponing or abandoning projects
- DATAGROUP Ulm (“IT-Informatik”) is facing delays in switching the existing customer base to new CORBOX-contracts into the existing customership and will not contribute as expected to profit line
- New customer acquisition is strongly impacted as meetings cannot be held and customers are still busy managing the Covid-Situation rather than thinking of shifting IT service providers.



Selected Key Balance Sheet Figures Q1 – Q3 19/20

Figures in € thousand	30.06.19	Change 30.06.19 – 30.06.20	30.09.19	Change 31.09.19 – 30.06.20	30.06.20
Goodwill	58,998	8.5%	64,027	0.0%	64,027
Long-term financial liabilities	155,941	24.6%	157,009	23.7%	194,267
<i>thereof liabilities to financial institutions</i>	90,331	-13.7%	90,358	-13.7%	77,948
<i>thereof liabilities from finance leases</i>	22,985	83.8%	23,533	79.5%	42,241
<i>thereof pension provisions</i>	37,744	81.4%	37,702	81.6%	68,472
Short-term liabilities	75,348	60.6%	89,022	36.5%	121,513
<i>thereof liabilities to financial institutions</i>	8,682	44.4%	8,729	43.6%	12,535
<i>thereof liabilities from finance lease</i>	9,922	41.3%	8,754	60.2%	14,021
Cash and cash equivalents	62,137	6.4%	47,465	39.3%	66,096
Accounts receivable	30,401	40.3%	45,591	-6.4	42,658
Accounts payable	9,279	92.7%	9,126	95.9	17,882
Net financial debt (short and long term)	66,865	-7.6%	65,745	-6.0%	61,771
Equity ratio ¹⁾ (in %)	23.3	-21.5%	23.4%	-21.8%	18.3%
Return on equity ²⁾ (in %)	18.8	-80.5%	20.5%	-82.1%	3.7%
Balance sheet total	300,720	28.4%	320,077	20.6%	386,078

- Long term debt increased
 - 11m sale-and-lease-back
 - pension provisions and finance leases from Portavis
- Cash-in because of 35m cash payment for pensions; sale-and-lease-back of plant equipment 15m
- Equity Ratio went down, but still is sufficient;

1) Modified equity ratio incl. quasi-equity funds
 2) ROE = surplus (extrapolated for the entire year) / average equity ratio



Cash Flow from Investing Activities Q1-Q3 19/20

Figures in € thousand	Q1 – Q3 18/19	Q1 – Q3 19/20	Changes
Cash inflow from sale of property, plant and equipment	79	872	1,001.4%
Cash outflow for investment in property, plant and equipment	-11,787	-11,639	-1.3%
Cash inflow from intangible assets	386	25	-93.6%
Cash outflow for investments in intangible assets	-1,952	-3,286	68.4%
Cash inflow from sale of financial assets	0	-921	./.
Cash outflow for investments in financial assets	0	-205	./.
Cash inflow from repayment of financial assets	0	50	./.
Cash inflow/outflow from investments in fully consolidated companies	-16,612	35,555	-314.0%
Interest received	105	401	283.0%
Net cash used for investing activities	-29,781	20,852	-170.0%

■ By acquisition of Portavis DATAGROUP received about TEUR 35,555 net (acquired cash less price of acquisition)

Investment in acquired companies:
UBL (now: DATAGROUP Frankfurt)

Fiscal year 01.10. – 30.09.



Cash Flow from Operating Activities Q1 – Q3 19/20

Figures in € thousand	Q1 – Q3 18/19	Q1 – Q3 19/20	Changes
Net income for the period	9,615	1,989	-79.3%
Interest received	-105	-401	283.0%
Interest paid	1,287	1,777	38.1%
Depreciation and amortisation of current assets	-30	0	-100.0%
Depreciation and amortisation of non-current assets	16,575	21,903	32.2%
Changes in pension provisions	806	368	-20.8%
Gains (-) / losses (+) on disposals of non-current assets	50	72	45.6%
Increase (-) / decrease (+) of receivables or liabilities to shareholders, related and associated companies	2,429	599	-75.3%
Increase (-) / decrease (+) of inventories, trade receivables and other assets	-21,054	-5,801	-72.5%
Increase (+) / decrease (-) of trade payables and other liabilities	-1,472	4,802	-426.2%
Income out of business transaction	0	-11,571	
Other non-cash transactions	-1,415	-389	-72.5%
Cash flow from operating activities	6,687	13,619	103.7%

Fiscal year 01.10. – 30.09.

The table has been corrected compared to the initially released version from September 14th 2020. The numbers in the lines „Changes in pension provisions“ and „Increase (+) / decrease (-) of trade payables and other liabilities“ have been changed. The changes have no impact on the Cash flow from operating activities and as a consequence does not impact any other KPIs



Gold-Awarded Managed Service Provider

- DATAGROUP has been awarded Gold Status in the category „Managed Service Provider“ at the Service Provider Summit 2020
- Based on the vote of 20.000 readers of Vogel-IT-Medien
- Award for the best Solutions and Service offerings
- The Media of Vogel IT comprise the magazines IT-BUSINESS, eGovernmentComputing, BigData-Insider, CloudComputing-Insider, DataCenter-Insider, Dev-Insider, IP-Insider, Security-Insider and Storage-Insider



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IT's that promising.

Appendixes



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