

Interim announcement for the third quarter of 2013

adesso AG: Successful third quarter of 2013 with sales, earnings and margin growth

Interim announcement of adesso AG in accordance with Section 37 of the Securities Trade Act (WpHG)

- Q3 sets new sales and EBITDA records of EUR 35.6 million and EUR 3.3 million; EBITDA margin of 9.4 %
- Sales up 15 % to EUR 100.9 million in the first nine months, 11 percentage points of which organic
- EBITDA up 46 % in the first nine months to EUR 6.3 million despite high investments in internationalisation (EUR 1.0 million)
- Earnings per share amounted to EUR 0.50 after nine months (previous year: EUR -0.18)
- Guidance for full year is confirmed

***Dortmund, 11 November 2013* – adesso AG considerably increased sales, earnings and margin in the third quarter of 2013 compared to the previous two quarters and year on year. Germany's dynamic business developments in particular sent sales climbing by 15 % in the first nine months of the year to EUR 100.9 million. Despite EUR 1 million in investments in internationalisation, profitable large projects, successes in the restructuring of the energy industry segment, which has since been concluded, as well as stable capacity utilisation caused the operating result to rise by 46 % in the first nine months to EUR 6.3 million. Based on expected stronger sales and earnings in the second half of the year as well as the positive third quarter of 2013 guidance for the full year is confirmed.**

Business development

In the third quarter, adesso increased sales from IT consulting, software development and licenses for its own products by 8 % compared with the previous quarter and by 13 % year on year in a largely positive market environment to EUR 35.6 million, setting a new quarterly record. The higher number of working days as well as organic headcount growth of 6 %, or 67, to 1,201 employees in the quarter resulted in rising IT Services segment sales

revenues, especially in Germany. IT Solutions licence sales were up EUR 0.5 million on the previous quarter. The units being established in the USA, England and Turkey in the course of internationalisation did not generate any significant sales in the third quarter. adesso Group secured a number of important project orders in the third quarter and currently finds itself in a number of proposal situations. This means that adesso can gather good growth momentum in a positive market environment. The new Business Intelligence, Cloud Computing und Hosting business areas launched in 2012 and 2013, as well as E-Commerce, are developing well; however, telecommunication activities are progressing less quickly.

Mobile Solutions once again grew strongly by 30 %. adesso is now one of the largest and most profitable providers of solutions and services for mobilising digital content and processes in the German-speaking countries. For the first time ever, the company secured a number of large consulting projects for the development of a mobile strategy for a group's IT department.

Income development

Stable capacity utilisation and the higher number of working days, greater licence sales and profitable fixed-price projects led to a rise in the operating result in the third quarter overproportional to sales, as well as an increase in the profit margin. The since-concluded restructuring of the energy industry segment, which was completely legally integrated into adesso AG in the third quarter, also had a positive effect. The investments in internationalisation rose in the third quarter following the start of operations by adesso's Turkish subsidiary.

Personnel costs increased at a slightly lower rate than sales by 10 % to EUR 21.9 million, and other operating expenses climbed at an above-average rate compared to sales by 28 % to EUR 6.9 million. Operating earnings (EBITDA) rose by EUR 0.4 million, or 14 % in the third quarter, compared to the previous year and reached a new quarterly record of EUR 3.3 million. The EBITDA margin increased to 9.4 % in the third quarter.

Depreciation and amortisation amounted to EUR 524 thousand (previous year: EUR 718 thousand; Q2 2013: EUR 587 thousand), of which EUR 174 thousand pertained to scheduled amortisation on purchase price allocations. Income from financing and investment activities of EUR -55 thousand (previous year: EUR -65 thousand; Q2 2013: EUR -63 thousand) resulted in earnings before taxes of EUR 2.8 million in the third quarter (previous year: EUR -2.1 million; Q2 2013: EUR 0.8 million). Consolidated earnings came to EUR 1.9 million compared to EUR 1.4 million in the previous year

and EUR 0.4 million in the second quarter. Earnings per share amounted to EUR 0.31 in the third quarter.

The first nine months of the year

Sales increased by 15 % year-on-year to EUR 100.9 million in the first nine months of 2013, 11 percentage points of which were organic. At the same time, the average number of employees went up by 129, or 12 %, due to new hires. adesso Group employed 1,201 people as of the reporting date.

Personnel costs amounted to EUR 65.7 million compared to EUR 57.5 million in the previous year. The gross income margin went up by 1 percentage point to 90 %. Other operating expenses increased by 16 % to EUR 20.0 million. Operating earnings (EBITDA) came to EUR 6.3 million in the first nine months of 2013 after EUR 4.3 million in the previous year. This figure includes EUR 1 million in charges as a result of internationalisation, especially in the USA, the UK and Turkey.

Earnings before taxes came to EUR 4.4 million (previous year: EUR 0.8 million) and consolidated earnings totalled EUR 3.0 million (previous year: EUR -1.5 million). Earnings per share amounted to EUR 0.50 (previous year: EUR -0.18).

Additional figures

On 30 September 2013, adesso held liquid assets of EUR 15.1 million (previous year: EUR 17.6 million; 31 December 2012: EUR 21.4 million). Liquid assets rose by EUR 1.7 million in the third quarter of 2013. The net cash position remained unchanged at EUR 9.2 million. The equity ratio is 48 %. These figures provide adesso with a solid balance sheet structure and financial position. In the fourth quarter, liquid assets created by positive cash flow from operating activities are expected to rise further and one of the company's largest customers is expected to settle its final invoice of EUR 2.5 million.

Outlook

At the time of this report, both order situation and volume of business activities could be regarded as positive in view of the remaining weeks of 2013. As the third quarter was a strong one, it is expected to achieve its guidance for the full year. There is also further potential for possible initial international licence sales.

These and additional figures for the first nine months of 2013 are available on the adesso website under Investor Relations: <http://www.adesso-group.de/en/investorrelations/>.

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