



14 August 2009

Investment Research

Buy

Recommendation unchanged

Share price: EUR 2.06

closing price as of 13/08/2009

Target price: EUR 2.80

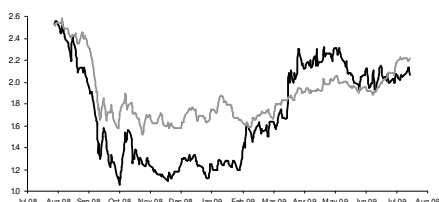
Target Price unchanged

Reuters/Bloomberg GFTG.DE/GFT GY

Daily avg. no. trad. sh. 12 mth	19.849
Daily avg. trad. vol. 12 mth (m)	0.03
Price high 12 mth (EUR)	2.56
Price low 12 mth (EUR)	1.06
Abs. perf. 1 mth	1.5%
Abs. perf. 3 mth	-10.4%
Abs. perf. 12 mth	-2.8%

Market capitalisation (EURm)	54
Current N° of shares (m)	26
Free float	47%

Key financials (EUR)	12/08	12/09e	12/10e
Sales (m)	242	222	227
EBITDA (m)	8	7	9
EBITDA margin	3.3%	3.1%	4.1%
EBIT (m)	6	6	8
EBIT margin	2.6%	2.5%	3.5%
Net Profit (adj.)(m)	6	4	6
ROCE	5.5%	9.6%	13.6%
Net debt/(cash) (m)	(35)	(37)	(41)
Net Debt Equity	-0.6	-0.6	-0.6
Net Debt/EBITDA	-4.4	-5.3	-4.3
Int. cover(EBITDA/Fin.int)	(14.9)	(13.6)	(14.6)
EV/Sales	nm	0.0	0.0
EV/EBITDA	nm	1.1	0.4
EV/EBITDA (adj.)	nm	1.1	0.4
EV/EBIT	nm	1.4	0.5
P/E (adj.)	5.7	12.7	9.0
P/BV	0.5	0.8	0.8
OpFCF yield	24.9%	10.1%	13.5%
Dividend yield	4.9%	3.9%	3.9%
EPS (adj.)	0.23	0.16	0.23
BVPS	2.40	2.48	2.63
DPS	0.10	0.08	0.08



Source: Factset
 Shareholders: Ulrich Dietz 28%; Institutionals 10%;
 Maria Dietz 10%; Dr. Markus Kerber
 5%;

For company description please see summary table footnote

Revenue guidance lowered but company sticks to EBT guidance

GFT Technology reported its final 1H 2009 results yesterday. The company came in with a lower than forecasted revenue, which was mainly driven by the Third Party Management business through lower sales generated with one particular customer. Due to the low margin of this business, the EBT impact has been minor. Thus, the company reduces its revenue guidance for FY 2009e significantly to EUR 220m, whereas the EBT guidance of EUR 6m to EUR 8m (probably achievable at the lower end) has been reiterated. Some disappointment emerged moreover from the Software segment which has not been able to increase revenues significantly and is said to be evaluated for new solutions for the succession of the business. We stick to Buy with a target price of EUR 2.8.

- ✓ **Revenues:** Revenues fell by 7.3% to EUR 107.5m versus EUR 115.9m in the previous year as well as versus our forecast of EUR 113.4m.
- ✓ **Segment development:** *Service* revenues fell slightly by 1.9% YoY to EUR 43.3m. The EBT margin stands at 4.8% compared to 6.1% in the previous year but increased compared to 1Q 2009 at 3.5%. *Software* decreased stronger than forecasted to EUR 2.4m but reduced its loss compared to 2008 by EUR 1.2m. The *Resourcing* segment saw a more than projected decline, too, as well as an EBT margin of only 1.6% compared to 2.2% in 2008 and 2.0% in 1Q 2009.
- ✓ **Profitability:** The EBT margin increased compared to the previous year, coming in at 2.1%, slightly above our forecasts.
- ✓ **Guidance:** GFT Technologies reduced its revenue guidance from flat sales (c. EUR 242m) to c. EUR 220m. The EBT guidance of a range of EUR 6m to EUR 8m has been reiterated but will probably be achieved at the lower end of the range due to the difficult economic situation. The company does not assume any noticeably market revival for the FY 2009e. In 2010e, the economy is expected to pick up again. The *Services* division might benefit from the announcement of regulations, which are nevertheless difficult to evaluate when these will be released. The low demand for the *Software* segment is expected to continue and has been announced to be under management supervision again.
- ✓ **Changes in estimates in 2009e:** We reduce our revenue forecast for FY 2009e to EUR 221.9m, in line with the company's guidance, which has been lowered from flat revenues (c. EUR 242m) to around EUR 220m. Our EBT forecast stands at EUR 6.1m, estimating an EBT margin of the *Service* business of 6.3% and 1.7% for the *Resourcing* business as well as a loss form the *Software* segment of EUR 1.1m. We estimate an EBT margin of 2.8% in 2009e.
- ✓ **Changes in estimates in 2010e:** Due to a forecasted slight pick up of 2% in the *Service* segment as well as organic growth of c. 3% in the *Resourcing* segment, we see the 2010e top-line grow by 2.5%. The EBT margin is assumed at 3.8%, based on an EBT margin in *Services* of 7.3%, a negative margin in *Software* of 10% as well as a *Resourcing* EBT margin of 2.2%.
- ✓ **Cash per share:** In 1H 2009, cash per share amounted to EUR 0.95.

Analyst(s): Catherine Schuh
 Adrian Pehl, CFA

+49 69 58 99 74 35 catherine.schuh@equinet-ag.de
 +49 69 58997 438 adrian.pehl@equinet-ag.de

Segment development

EUR m	Sales		YoY	EBT		EBT margin	
	2Q 2009	2Q 2008	2Q 2009	2Q 2009	2Q 2008	2Q 2009	2Q 2008
Services	21.4	23.6	-9.2%	1.3	1.8	6.2%	7.7%
Software	1.1	1.4	-20.8%	-0.3	-0.8	-30.7%	-59.9%
Resourcing	30.4	35.5	-14.4%	0.4	0.7	1.2%	2.1%

Source: Company data, equinet estimates

EUR m	Sales		YoY	EBT		EBT margin	
	1H 2009	1H 2008	1H 2009	1H 2009	1H 2008	1H 2009	1H 2008
Services	43.3	44.2	-1.9%	2.1	2.7	4.8%	6.1%
Software	2.4	2.8	-14.7%	-0.4	-1.6	-16.5%	-58.2%
Resourcing	61.7	68.9	-10.4%	1.0	1.5	1.6%	2.2%

Source: Company data, equinet estimates

2Q / 1H 2009 results

2Q 2009

EUR m	2Q 09	2Q 08	YoY	equinet	Delta
Sales	52.9	60.5	-12.5%	58.8	-10.0%
EBIT	1.1	1.6	-32.7%	1.0	8.4%
<i>margin</i>	2.1%	2.7%		1.7%	
EBT	1.3	1.7	-24.9%	1.2	9.4%
<i>margin</i>	2.5%	2.9%		2.0%	
Net profit	0.9	1.0	-8.6%	0.8	4.7%
EPS (€)	0.03	0.04	-8.6%	0.03	4.7%

Source: Company data, equinet Research

1H 2009

EUR m	1H 09	1H 08	YoY	equinet	Delta
Sales	107.5	115.9	-7.3%	113.4	-5.2%
EBIT	2.0	2.2	-12.3%	1.9	2.4%
<i>margin</i>	1.8%	1.9%		1.7%	
EBT	2.3	2.3	1.3%	2.3	0.6%
<i>margin</i>	2.1%	1.9%		2.0%	
Net profit	1.6	1.1	46.8%	1.7	-3.6%
EPS (€)	0.06	0.04	46.8%	0.06	-3.6%

Source: Company data, equinet Research

Changes in estimates

Changes in estimates

EUR m	2009e			2010e			2011e			2012e		
	Old	New	Change	Old	New	Change	Old	New	Change	Old	New	Change
Revenues	241.0	221.9	-7.9%	245.8	227.4	-7.5%	253.2	234.2	-7.5%	260.8	241.2	-7.5%
EBITDA	7.5	7.0	-7.5%	11.0	9.4	-14.7%	12.9	11.2	-12.8%	13.9	12.6	-9.3%
<i>margin</i>	3.1%	3.1%		4.5%	4.1%		5.1%	4.8%		5.3%	5.2%	
EBIT	6.2	5.6	-9.1%	9.6	8.0	-16.9%	11.4	9.7	-14.5%	12.3	11.0	-10.5%
<i>margin</i>	2.6%	2.5%		3.9%	3.5%		4.5%	4.1%		4.7%	4.5%	
EBT	6.9	6.1	-10.7%	10.3	8.6	-16.3%	12.2	10.5	-13.6%	13.2	11.8	-10.0%
<i>margin</i>	2.8%	2.8%		4.2%	3.8%		4.8%	4.5%		5.0%	4.9%	
Net profit	4.8	4.3	-10.7%	7.2	6.0	-16.3%	8.5	7.4	-13.6%	9.2	8.3	-10.0%
EPS	0.18	0.16	-10.7%	0.27	0.23	-16.3%	0.32	0.28	-13.6%	0.35	0.31	-10.0%

Source: Company data, equinet Research



GFT Technologies AG: Summary tables

PROFIT & LOSS (EURm)	2006	2007	2008	2009e	2010e	2011e
Sales	174	247	242	222	227	234
Cost of Sales & Operating Costs (excl. Pers. Expenses)	-108	-172	-170	-147	-151	-154
Personnel Expenses	-61.9	-64.5	-66.8	-67.7	-67.4	-69.0
Non Recurrent Expenses/Income	3.3	2.1	3.1	0.0	0.0	0.0
EBITDA	7.3	13.1	8.0	7.0	9.4	11.2
EBITDA (adj.)*	4.0	11.0	4.9	7.0	9.4	11.2
D & A	-1.2	-1.4	-1.6	-1.4	-1.4	-1.5
EBIT	6.1	11.7	6.4	5.6	8.0	9.7
EBIT (adj.)*	2.9	9.5	3.3	5.6	8.0	9.7
Net Financial Interest	0.5	0.7	0.5	0.5	0.6	0.8
Other Financials	0.0	0.0	0.0	0.0	0.0	0.0
Associates	0.0	0.0	0.0	0.0	0.0	0.0
Other Non Recurrent Items	0.0	0.0	0.0	0.0	0.0	0.0
Earnings Before Tax (EBT)	6.7	12.4	6.9	6.1	8.6	10.5
Tax	-1.6	-3.8	-0.9	-1.8	-2.6	-3.2
<i>Tax rate</i>	<i>23.3%</i>	<i>30.5%</i>	<i>13.1%</i>	<i>30.0%</i>	<i>30.0%</i>	<i>30.0%</i>
Discontinued Operations	0.0	0.0	0.0	0.0	0.0	0.0
Minorities	0.0	0.0	0.0	0.0	0.0	0.0
Net Profit (reported)	5.1	8.6	6.0	4.3	6.0	7.4
Net Profit (adj.)	5.1	8.6	6.0	4.3	6.0	7.4

CASH FLOW (EURm)	2006	2007	2008	2009e	2010e	2011e
Cash Flow from Operations before change in NWC	6.3	10.0	7.6	5.6	7.5	8.9
Change in Net Working Capital	-10.6	-0.4	0.9	-0.1	-0.1	-0.2
Cash Flow from Operations	-4.3	9.6	8.5	5.5	7.3	8.7
Capex	-6.6	0.0	-1.4	-1.5	-1.6	-1.7
Net Financial Investments	0.0	0.0	0.0	0.0	0.0	0.0
Free Cash Flow	-10.9	9.6	7.1	4.0	5.7	7.0
Dividends	0.0	0.0	-2.6	-2.1	-2.1	-2.6
Other (incl. Capital Increase & share buy backs)	3.8	-2.4	2.0	0.0	0.0	0.0
Change in Net Debt	-7.2	7.2	6.5	1.9	3.6	4.4
NOPLAT	2.0	6.7	2.3	3.9	5.6	6.8

BALANCE SHEET & OTHER ITEMS (EURm)	2006	2007	2008	2009e	2010e	2011e
Net Tangible Assets	2.4	2.6	2.6	2.6	2.7	2.9
Net Intangible Assets (incl. Goodwill)	21.1	21.2	20.8	21.0	21.1	21.1
Net Financial Assets & Other	10.6	11.4	10.7	10.5	10.6	10.6
Total Fixed Assets	34.2	35.3	34.2	34.1	34.4	34.6
Net Working Capital	18.5	19.0	18.0	17.1	17.5	18.0
Shareholders Equity	49.4	57.7	63.2	65.3	69.3	74.1
Minorities Equity	0.0	0.0	0.0	0.0	0.0	0.0
Net Debt	-21.3	-28.6	-35.0	-36.9	-40.6	-45.0
Provisions	14.4	16.0	14.2	13.0	13.3	13.7
Other Net Liabilities or Assets	10.3	9.2	9.8	9.8	9.8	9.8
Net Capital Employed/Invested	52.7	54.3	52.2	51.2	51.9	52.7

GROWTH & MARGINS	2006	2007	2008	2009e	2010e	2011e
<i>Sales growth</i>	<i>43.6%</i>	<i>42.3%</i>	<i>-2.0%</i>	<i>-8.4%</i>	<i>2.5%</i>	<i>3.0%</i>
<i>EBITDA growth</i>	<i>246.2%</i>	<i>79.2%</i>	<i>-38.7%</i>	<i>-13.3%</i>	<i>35.3%</i>	<i>19.1%</i>
<i>EBITDA (adj.)* growth</i>	<i>+chg</i>	<i>172.0%</i>	<i>-55.1%</i>	<i>41.4%</i>	<i>35.3%</i>	<i>19.1%</i>
<i>EBIT growth</i>	<i>623.6%</i>	<i>90.1%</i>	<i>-45.3%</i>	<i>-12.2%</i>	<i>42.6%</i>	<i>21.5%</i>
<i>EBIT (adj.)* growth</i>	<i>+chg</i>	<i>233.1%</i>	<i>-65.6%</i>	<i>71.0%</i>	<i>42.6%</i>	<i>21.5%</i>
<i>Net Profit growth</i>	<i>380.0%</i>	<i>68.2%</i>	<i>-29.9%</i>	<i>-28.9%</i>	<i>41.2%</i>	<i>21.6%</i>
<i>EPS adj. growth</i>	<i>380.0%</i>	<i>68.2%</i>	<i>-29.9%</i>	<i>-28.9%</i>	<i>41.2%</i>	<i>21.6%</i>
<i>DPS adj. growth</i>			<i>+chg</i>	<i>-20.0%</i>	<i>0.5%</i>	<i>21.6%</i>
<i>EBITDA margin</i>	<i>4.2%</i>	<i>5.3%</i>	<i>3.3%</i>	<i>3.1%</i>	<i>4.1%</i>	<i>4.8%</i>
<i>EBITDA (adj.)* margin</i>	<i>2.3%</i>	<i>4.4%</i>	<i>2.0%</i>	<i>3.1%</i>	<i>4.1%</i>	<i>4.8%</i>
<i>EBIT margin</i>	<i>3.5%</i>	<i>4.7%</i>	<i>2.6%</i>	<i>2.5%</i>	<i>3.5%</i>	<i>4.1%</i>
<i>EBIT (adj.)* margin</i>	<i>1.6%</i>	<i>3.9%</i>	<i>1.4%</i>	<i>2.5%</i>	<i>3.5%</i>	<i>4.1%</i>

GFT Technologies AG: Summary tables

RATIOS	2006	2007	2008	2009e	2010e	2011e
Net Debt/Equity	-0.4	-0.5	-0.6	-0.6	-0.6	-0.6
Net Debt/EBITDA	-2.9	-2.2	-4.4	-5.3	-4.3	-4.0
Interest cover (EBITDA/Fin.interest)	nm	nm	nm	nm	nm	nm
Capex/D&A	569.2%	0.0%	84.6%	109.8%	112.2%	114.2%
Capex/Sales	3.8%	0.0%	0.6%	0.7%	0.7%	0.7%
NWC/Sales	10.7%	7.7%	7.4%	7.7%	7.7%	7.7%
ROE (average)	10.9%	16.1%	10.0%	6.7%	9.0%	10.3%
ROCE (adj.)	4.8%	15.6%	5.5%	9.6%	13.6%	16.2%
WACC	10.8%	10.8%	10.8%	10.8%	10.8%	10.8%
ROCE (adj.)/WACC	0.4	1.4	0.5	0.9	1.3	1.5

PER SHARE DATA (EUR)***	2006	2007	2008	2009e	2010e	2011e
Diluted number of shares	26.3	26.3	26.3	26.3	26.3	26.3
EPS (reported)	0.19	0.33	0.23	0.16	0.23	0.28
EPS (adj.)	0.19	0.33	0.23	0.16	0.23	0.28
BVPS	1.88	2.19	2.40	2.48	2.63	2.81
DPS	0.00	0.00	0.10	0.08	0.08	0.10

VALUATION	2006	2007	2008	2009e	2010e	2011e
EV/Sales	0.2	0.2	nm	0.0	0.0	nm
EV/EBITDA	4.8	3.4	nm	1.1	0.4	nm
EV/EBITDA (adj.)*	8.8	4.0	nm	1.1	0.4	nm
EV/EBIT	5.7	3.8	nm	1.4	0.5	nm
EV/EBIT (adj.)*	12.3	4.6	nm	1.4	0.5	nm
P/E (adj.)	13.0	9.7	5.7	12.7	9.0	7.4
P/BV	1.3	1.4	0.5	0.8	0.8	0.7
Total Yield Ratio	0.0%	3.2%	3.9%	3.9%	4.7%	5.4%
EV/CE	0.8	1.0	nm	0.2	0.1	nm
OpFCF yield	-6.5%	11.5%	24.9%	10.1%	13.5%	16.0%
OpFCF/EV	-12.2%	21.7%	-80.7%	70.9%	178.2%	-2982.6%
Payout ratio	0.0%	0.0%	43.7%	49.2%	35.0%	35.0%
Dividend yield (gross)	0.0%	0.0%	4.9%	3.9%	3.9%	4.7%

EV AND MKT CAP (EURm)	2006	2007	2008	2009e	2010e	2011e
Price** (EUR)	2.5	3.2	1.3	2.1	2.1	2.1
Outstanding number of shares for main stock	26.3	26.3	26.3	26.3	26.3	26.3
Total Market Cap	66.3	83.2	34.2	54.2	54.2	54.2
Net Debt	-21.3	-28.6	-35.0	-36.9	-40.6	-45.0
o/w Cash & Marketable Securities	-23.9	-28.7	-35.2	-37.1	-40.7	-45.1
o/w Short Term Debt	2.4	0.2	0.2	0.2	0.2	0.2
o/w Long Term Debt	0.2	0.0	0.0	0.0	0.0	0.0
Other EV components	-9.8	-10.6	-9.7	-9.5	-9.5	-9.6
Enterprise Value (EV adj.)	35	44	-11	8	4	0

Source: Company, Equinet estimates.

Notes

* Where EBITDA (adj.) or EBIT (adj.) = EBITDA (or EBIT) +/- Non Recurrent Expenses/Income

**Price (in local currency): Fiscal year end price for Historical Years and Current Price for current and forecasted years

***EPS (adj.) diluted = Net Profit (adj.)/Avg DIL. Ord. (+ Ord. equivalent) Shs. EPS (reported) = Net Profit reported/Avg DIL. Ord. (+ Ord. equivalent) Shs.

Company Description:

GFT Technologies, founded in 1987, is an IT-service provider focussing especially on financial and logistic service providers. The Resourcing segment is the leading revenue driver since the acquisition of part of Parity Group. Thus, 60% of revenues in 2008 derive from Third-Party Management and staffing. Another 37.5% of revenues stem from Services. The rather small Software segment focuses on software for the optimisation of business processes and the archiving of documents. GFT possesses a persuasive portfolio of reference customers such as Deutsche Bank, Commerzbank, DPWN, Fortis, ABN Amro as well as ECB.

Recommendations and Disclosures

Coverage	Analyst	Target	Rating	Disc.	Coverage	Analyst	Target	Rating	Disc.
Aareal Bank	Häßler	15.00	Buy		Kontron	Pehl	8.50	Hold	
Ad pepper	Schuh	1.25	Accumulate	2/3	Krones AG	Schmidt	18.00	Sell	
Adidas	Faust	32.00	Hold		KTG Agrar	Schäfer	17.00	Buy	2/3/4/5
Advanced Vision Technology	Aubéry	3.40	Buy	2/3	KUKA	Schäfer	11.00	Hold	
Aixtron	Pehl	11.00	Hold	2/3	K+S AG	Schäfer	36.00	Hold	
Allianz	Häßler	86.00	Accumulate		Leoni	Schuldt	13.30	Reduce	
Analytik Jena	Demidova	10.00	Accumulate		Loewe	Faust	10.00	Buy	2
Augusta Technologie	Simmroß	13.00	Buy	2/3	Logwin	Rothenbacher	1.00	Hold	2/3
BASF	Demidova	38.00	Accumulate		Lufthansa	Rothenbacher	10.00	Hold	
Bayer	Possienke	47.00	Accumulate		MAN	Schuldt	55.00	Accumulate	
Beta Systems Software	Schuh	4.00	Buy	2/3	MAX Automation AG	Schmidt	2.00	Hold	2/5
Beiersdorf	Aubéry	38.00	Accumulate		Medion	Simmroß	11.00	Buy	
Bijou Brigitte	Faust	130.00	Buy		Merck	Possienke	60.00	Reduce	
Bilfinger Berger	Faust	55.00	Buy		MLP	Häßler	7.50	Sell	
Bio-Gate	Demidova	4.00	Hold	2/3/5	Mobotix AG	Pehl	28.00	Buy	2/3
Biopetrol Industries	Schäfer	0.60	Hold	2/3/5	Morphosys	Possienke	30.00	Buy	
Biotest	Possienke	45.00	Accumulate	2/3	MTU	Pehl	29.00	Hold	
BMW	Schuldt	27.00	Reduce		Munich RE	Häßler	110.00	Hold	
Business Media China	Schuh	1.10	Not rated	2/3/5	Müller - Die Iliä Logistik	Rothenbacher	1.50	Buy	2/3
Carl Zeiss Meditec	Aubéry	10.50	Hold		Nanogate AG	Demidova	14.00	Buy	2/3
Celesio	Possienke	23.00	Accumulate		Nexus AG	Demidova	4.00	Buy	2/3
Cenit AG Systemhaus	Pehl	6.00	Buy	2/3	Pfeiffer Vacuum	Pehl	45.00	Reduce	
Comdirect	Häßler	4.60	Reduce		Pfleiderer	Faust	3.50	Sell	
Commerzbank	Häßler	4.00	Sell		Phoenix Solar	Growe	35.00	Reduce	
Conergy	Growe	0.25	Sell		Porsche	Schuldt	34.00	Hold	
Continental	Schuldt	22.00	Buy		Postbank	Häßler	19.00	Hold	
D.Logistics	Rothenbacher	1.50	Buy	2/3	PSI	Schuh	9.00	Hold	2/5
DAB Bank	Häßler	2.50	Hold		Puma	Faust	110.00	Sell	
Daimler AG	Schuldt	39.00	Buy		Q-Cells	Growe	10.00	Reduce	
Daldrup & Soehne	Growe	22.00	Hold	2/3/4/5	Rheinmetall	Pehl	42.00	Buy	
Demag Cranes	Schmidt	22.00	Buy	2	Rhoen-Klinikum	Possienke	20.00	Buy	
Deutsche Bank	Häßler	40.00	Reduce		Roth & Rau	Growe	24.00	Hold	
Deutsche Boerse	Häßler	54.00	Hold		RWE	Schäfer	64.00	Accumulate	
Deutsche EuroShop	Rothenbacher	26.00	Buy		Salzgitter	Growe	53.00	Reduce	
Deutsche Forfait	Häßler	5.50	Accumulate	2/3	Seven Principles AG	Schuh	3.10	Hold	2/3/5
Deutsche Post	Rothenbacher	11.00	Hold		Solar-Fabrik	Growe	2.50	Sell	5
Deutsche Telekom	Pehl	7.20	Reduce		SolarWorld	Growe	18.00	Hold	
Douglas Holding	Faust	30.00	Hold		Solon	Growe	6.00	Sell	
Drägerwerk	Aubéry	18.00	Reduce		Stada	Possienke	18.00	Accumulate	
E.ON	Schäfer	34.00	Buy		Sunways	Growe	2.50	Hold	2/3
ElringKlunger	Schuldt	11.00	Hold		ThyssenKrupp	Growe	20.00	Reduce	
EOP Biodiesel	Schäfer	1.00	Hold	2/3/5	Tognum	Schmidt	7.00	Reduce	
Escada	Faust		Sell		TUI	Rothenbacher	6.50	Buy	
Fielmann	Possienke	60.00	Buy		Twintec	Schäfer	9.40	Buy	2/3/5
Fraport	Rothenbacher	35.00	Hold		United Internet	Pehl	11.50	Buy	
Fresenius	Possienke	46.00	Accumulate		Utimaco Safeware	Schuh	14.75	Hold	2/3/5
Fresenius Medical Care	Possienke	38.00	Buy		VBH Holding	Faust	4.10	Hold	2/3
Fuchs Petrolub	Demidova	54.00	Accumulate		Volkswagen	Schuldt	75.00	Sell	
GBK Beteiligungen	Schmidt	7.00	Buy	2/3	Vossloh	Schmidt	99.00	Accumulate	
GEA Group	Schmidt	14.00	Accumulate		Wacker Chemie	Growe	75.00	Reduce	
Gerresheimer AG	Aubéry	18.00	Hold		Wincor Nixdorf	Pehl	34.00	Reduce	2/3
Gesco	Schmidt	38.00	Hold	2/3					
GFT Technologies	Schuh	2.80	Buy	2/3					
Gildemeister	Schmidt	5.50	Reduce						
Grenkeleasing AG	Häßler	22.00	Reduce						
Hannover Re	Häßler	34.00	Accumulate						
Heidelberger Druck	Schmidt	7.00	Buy						
Henkel	Demidova	28.00	Hold						
Highlight Communications	Schuh	7.00	Buy	2/3					
Hochtief	Faust	59.00	Buy						
Hugo Boss	Faust	15.00	Sell						
i:FAO AG	Schuh	9.50	Accumulate	2/3					
Integralis AG	Schuh	6.75	Hold	2/3					
Interseroh	Schäfer	24.00	Reduce	2/3					
Isra	Aubéry	12.10	Buy	2/3/5					
Itelligence	Schuh	5.10	Hold	2/3					
IVG Immobilien AG	Rothenbacher	7.50	Buy						

* Target price in CHF

Source: equinet Recommendations

Notice according to § 34 b (German) Securities Trading Act (“Wertpapierhandelsgesetz”)

This document is issued by equinet AG (“equinet”). It has been prepared by its authors independently of the Company, and none of equinet, the Company or its shareholders has independently verified any of the information given in this document.

equinet possesses relations to the covered companies as detailed in the table on the previous page. Additional information and disclosures will be made available upon request and/or can be looked up on our website <http://www.equinet-ag.de>

- 1 - equinet and/or its affiliate(s) hold(s) more than 5% of the share capital of this company calculated under computational methods required by German law.
- 2 - equinet acts as a designated sponsor for this company, including the provision of bid and ask offers. Therefore, we regularly possess shares of the company in our proprietary trading books. equinet receives a commission from the company for the provision of the designated sponsor services.
- 3 – The designated sponsor services include a contractually agreed provision of research services.
- 4 – Within the last twelve months, equinet was involved as a lead or co-lead manager in the public offering of securities which are/whose issuer is the subject of this report.
- 5 – Within the last twelve months, equinet and/or its affiliate(s) provided investment banking- and/or other consultancy services for this company and/or its shareholders.
- 6 - equinet and/or its affiliate(s) has/have other substantial financial interests in relation to this issuer.
- 7 – equinet has entered into an agreement with this company about the preparation of research reports and – in return - receives a compensation.

Companies of the equinet group and/or its directors, officers and employees or clients may take positions in, and may make purchases and/or sales as principal or agent in the securities or related financial instruments discussed in our reports. The equinet group may provide investment banking and other services to and/or serve as directors of the companies referred to in our reports.

In compliance with Para 5 Sec. 4 of the Ordinance on the Analysis of Financial Instruments (FinAnV) equinet has realized additional internal and organizational measures, such as specific research guidelines, to prevent or manage conflicts of interest.

Neither the company nor its employees are allowed to receive donations from third parties with a special interest in the content of the analysis.

The salary of the research analysts of equinet AG does not depend on the investment banking transactions of the company. Nevertheless, this does not rule out the payment of a bonus which depends on the overall financial performance of the bank.

Particular care is taken that the individual performance of each research analyst of equinet AG is not being assessed by a manager of another business division with similar or same interests.

To assure a highest degree of transparency equinet AG regularly provides - on a quarterly basis – a summary according to Para 5 Sec. 4 No. 3 of the Ordinance on the Analysis of Financial Instruments (FinAnV). It informs about the overall analysts recommendations and sets them in a relationship to those companies, for which equinet provided investment banking services within the last twelve months. This summary is published via our website <http://www.equinet-ag.de>.

Furthermore, we refer to our conflict of interest policy as well as the German Securities Trading Act (WpHG) and the Ordinance on the Analysis of Financial Instruments (FinAnV) provided in the download area of our website <http://www.equinet-ag.de>.

Remarks

Recommendation System

- Buy - The stock is expected to generate a total return of over 20% during the next 12 months time horizon.
- Accumulate - The stock is expected to generate a total return of 10% to 20% during the next 12 months time horizon.
- Hold - The stock is expected to generate a total return of 0% to 10% during the next 12 months time horizon
- Reduce - The stock is expected to generate a total return of 0 to -10% during the next 12 months time horizon
- Sell - The stock is expected to generate a total return below -10% during the next 12 months time horizon

Basis of Valuation

Equinet uses for valuation purposes primarily DCF-Valuations and Sum-Of-The-Parts-Valuations as well as peer group comparisons.

Share prices

Share prices in this analysis are the German closing prices of the last trading day before the publication.

Sources

equinet has made any effort to carefully research all information contained in the analysis. The information on which the analysis is based has been obtained from sources which we believe to be reliable such as, for example, Reuters, Bloomberg and the relevant press as well as the company which is the subject of the analysis. Only that part of the research note is made available to the issuer, who is the subject of the analysis, which is necessary to properly reconcile with the facts. Should this result in considerable changes a reference is made in the research note.

Actualizations

Opinions expressed in this analysis are our current opinions as of the issuing date indicated on this document. We do not commit ourselves in advance to whether and in which intervals updates are made.

DISCLAIMER

THE PREPARATION OF THIS DOCUMENT IS SUBJECT TO REGULATION BY GERMAN LAW. THIS DOCUMENT IS BEING SUPPLIED TO YOU SOLELY IN YOUR CAPACITY AS A PROFESSIONAL INSTITUTIONAL INVESTOR FOR YOUR INFORMATION AND MAY NOT BE REPRODUCED OR PASSED ON, DIRECTLY OR INDIRECTLY, TO ANY OTHER PERSON OR PUBLISHED, IN WHOLE OR IN PART, FOR ANY PURPOSE. NEITHER THIS DOCUMENT NOR ANY COPY OF IT MAY BE TAKEN OR TRANSMITTED INTO AUSTRALIA, CANADA OR JAPAN OR DISTRIBUTED, DIRECTLY OR INDIRECTLY, IN AUSTRALIA, CANADA OR JAPAN OR TO ANY RESIDENT THEREOF.

THE DELIVERY OF THIS RESEARCH REPORT TO U.S. PERSONS IN THE UNITED STATES OF AMERICA IS MADE BY AND UNDER THE RESPONSIBILITY OF ESN NA, INC. (REGISTERED WITH THE SEC). THIS RESEARCH REPORT IS ONLY INTENDED FOR PERSONS WHO QUALIFY AS MAJOR U.S. INSTITUTIONAL INVESTORS, AS DEFINED IN SECURITIES EXCHANGE ACT RULE 15A-6, AND DEAL WITH ESN NA, INC. HOWEVER, THE DELIVERY OF THIS RESEARCH REPORT OR SUMMARY TO ANY U.S. PERSON SHALL NOT BE DEEMED A RECOMMENDATION OF ESN NA, INC. TO EFFECT ANY TRANSACTIONS IN THE SECURITIES DISCUSSED HEREIN OR AN ENDORSEMENT OF ANY OPINION EXPRESSED HEREIN. ESN NA, INC. MAY FURNISH UPON REQUEST ALL INVESTMENT INFORMATION AVAILABLE TO IT SUPPORTING ANY RECOMMENDATIONS MADE IN THIS RESEARCH REPORT. ALL TRADES WITH U.S. RECIPIENTS OF THIS RESEARCH SHALL BE EXECUTED THROUGH ESN NA, INC.

THIS DOCUMENT IS FOR DISTRIBUTION IN THE U.K. ONLY TO PERSONS WHO HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS AND FALL WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 (THE "ORDER") OR (ii) ARE PERSONS FALLING WITHIN ARTICLE 49(2)(A) TO (D) OF THE ORDER, NAMELY HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS ETC (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "RELEVANT PERSONS"). THIS DOCUMENT MUST NOT BE ACTED ON OR RELIED UPON BY PERSONS WHO ARE NOT RELEVANT PERSONS. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS DOCUMENT RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS.

THE DISTRIBUTION OF THIS DOCUMENT IN OTHER JURISDICTIONS OR TO RESIDENTS OF OTHER JURISDICTIONS MAY ALSO BE RESTRICTED BY LAW, AND PERSONS INTO WHOSE POSSESSION THIS DOCUMENT COMES SHOULD INFORM THEMSELVES ABOUT, AND OBSERVE, ANY SUCH RESTRICTIONS. BY ACCEPTING THIS REPORT YOU AGREE TO BE BOUND BY THE FOREGOING INSTRUCTIONS. YOU SHALL INDEMNIFY EQUINET AGAINST ANY DAMAGES, CLAIMS, LOSSES, AND DETRIMENTS RESULTING FROM OR IN CONNECTION WITH THE UNAUTHORIZED USE OF THIS DOCUMENT.

This report is for informational purposes only and has no regard to the specific investment objectives, financial situation or particular needs of any specific recipient. This publication is intended to provide information to assist institutional investors in making their own investment decisions, not to provide investment advice to any specific investor. Therefore, investments discussed and recommendations made herein may not be suitable for all investors: readers must exercise their own independent judgment as to the suitability of such investments and recommendations in the light of their own investment objectives, experience, taxation status and financial position.

The information herein is believed by equinet to be reliable and has been obtained from sources believed to be reliable, but equinet makes no representation as to the accuracy or completeness of such information. The information given in this report is subject to change without notice; it may be incomplete or condensed and it may not contain all material information concerning the Company. Opinions expressed herein may differ or be contrary to opinions expressed by other business areas of the equinet group as a result of using different assumptions and criteria. equinet is under no obligation to update or keep the information current. equinet provides data concerning the future development of securities in the context of its usual research activity. However, if a financial instrument is denominated in a currency other than an investor's currency, a change in exchange rates may adversely affect the price or value of, or the income derived from, the financial instrument, and such investor effectively assumes currency risk. In addition, income from an investment may fluctuate and the price or value of financial instruments described in this report, either directly or indirectly, may rise or fall. Furthermore, past performance is not necessarily indicative of future results. Neither the author nor equinet accepts any liability whatsoever for any loss howsoever arising from any use of this publication or its contents or otherwise arising in connection therewith, except as provided for under applicable regulations.

equinet shall only be liable for any damages intentionally caused or which result from any gross negligence of equinet. Further equinet shall be liable for the breach of a material obligation of equinet, however, limited to the amount of the typical foreseeable which shall in no event exceed the amount of EUR 10,000. German law shall be applicable and court of jurisdiction for all disputes shall be Frankfurt/Main (Germany).

Competent Supervisory Authority:

Bundesanstalt für Finanzdienstleistungsaufsicht
-BaFin- (Federal Financial Supervisory Authority)
Graurheindorfer Straße 108, 53117 Bonn and
Lurgallee 12, 60439 Frankfurt am Main.

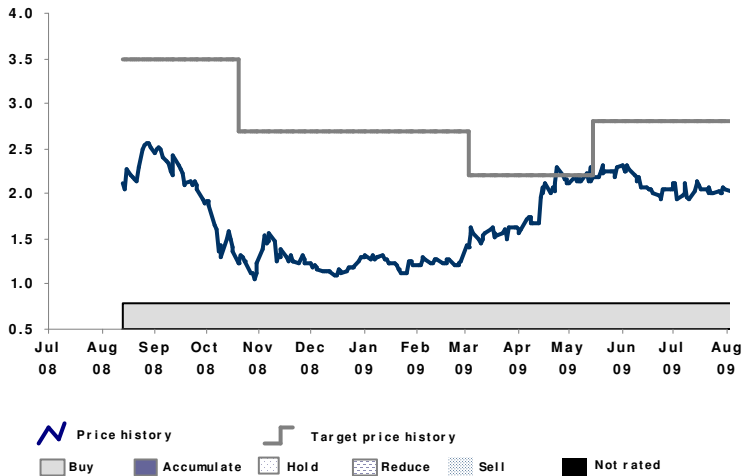


Recommendation history for GFT TECHNOLOGIES

Date	Recommendation	Target price	Price at change date
14-Aug-09	Buy	2.80	2.06
03-Mar-09	Buy	2.20	1.40
20-Oct-08	Buy	2.70	1.22
29-Sep-08	Buy	3.50	1.95
01-Aug-08	Buy	4.30	2.38
30-Oct-07	Not rated	4.30	3.70
02-Oct-07	Buy	4.30	3.26
01-Oct-07	Not rated	4.30	3.25

Source: Factset & ESN, price data adjusted for stock splits.

This chart shows Equinet continuing coverage of this stock; the current analyst may or may not have covered it over the entire period. Current analyst: Catherine Schuh (since 13/09/2007)



ESN Recommendation System

The ESN Recommendation System is **Absolute**. It means that each stock is rated on the basis of a **total return**, measured by the upside potential (including dividends and capital reimbursement) over a **12 month time horizon**.

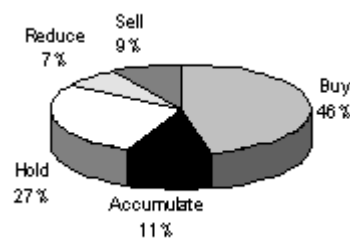
The ESN spectrum of recommendations (or ratings) for each stock comprises 5 categories: **Buy, Accumulate (or Add), Hold, Reduce and Sell (in short: B, A, H, R, S)**.

Furthermore, in specific cases and for a limited period of time, the analysts are allowed to rate the stocks as **Rating Suspended (RS)** or **Not Rated (NR)**, as explained below.

Meaning of each recommendation or rating:

- **Buy:** the stock is expected to generate total return of **over 20%** during the next 12 months time horizon
- **Accumulate:** the stock is expected to generate total return of **10% to 20%** during the next 12 months time horizon
- **Hold:** the stock is expected to generate total return of **0% to 10%** during the next 12 months time horizon.
- **Reduce:** the stock is expected to generate total return of **0% to -10%** during the next 12 months time horizon
- **Sell:** the stock is expected to generate total return **under -10%** during the next 12 months time horizon
- **Rating Suspended:** the rating is suspended due to a capital operation (take-over bid, SPO, ...) where the issuer of the document (a partner of ESN) or a related party of the issuer is or could be involved or to a change of analyst covering the stock
- **Not Rated:** there is no rating for a company being floated (IPO) by the issuer of the document (a partner of ESN) or a related party of the issuer

equinet Ratings Breakdown

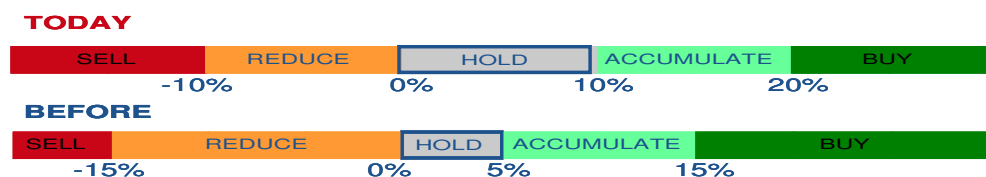


History of ESN Recommendation System

Since **18 October 2004**, the Members of ESN are using an Absolute Recommendation System (before was a Relative Rec. System) to rate any single stock under coverage.

Since **4 August 2008**, the ESN Rec. System has been amended as follow.

- Time horizon changed to 12 months (it was 6 months)
- Recommendations Total Return Range changed as below:



Disclaimer:

These reports have been prepared and issued by the Members of European Securities Network LLP ('ESN'). ESN, its Members and their affiliates (and any director, officer or employee thereof), are neither liable for the proper and complete transmission of these reports nor for any delay in their receipt. Any unauthorised use, disclosure, copying, distribution, or taking of any action in reliance on these reports is strictly prohibited. The views and expressions in the reports are expressions of opinion and are given in good faith, but are subject to change without notice. These reports may not be reproduced in whole or in part or passed to third parties without permission. The information herein was obtained from various sources. ESN, its Members and their affiliates (and any director, officer or employee thereof) do not guarantee their accuracy or completeness, and neither ESN, nor its Members, nor its Members' affiliates (nor any director, officer or employee thereof) shall be liable in respect of any errors or omissions or for any losses or consequential losses arising from such errors or omissions. Neither the information contained in these reports nor any opinion expressed constitutes an offer, or an invitation to make an offer, to buy or sell any securities or any options, futures or other derivatives related to such securities ('related investments'). These reports are prepared for the clients of the Members of ESN only. They do not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive any of these reports. Investors should seek financial advice regarding the appropriateness of investing in any securities or investment strategies discussed or recommended in these reports and should understand that statements regarding future prospects may not be realised. Investors should note that income from such securities, if any, may fluctuate and that each security's price or value may rise or fall. Accordingly, investors may receive back less than originally invested. Past performance is not necessarily a guide to future performance. Foreign currency rates of exchange may adversely affect the value, price or income of any security or related investment mentioned in these reports. In addition, investors in securities such as ADRs, whose value are influenced by the currency of the underlying security, effectively assume currency risk. ESN, its Members and their affiliates may submit a pre-publication draft (without mentioning neither the recommendation nor the target price/fair value) of its reports for review to the Investor Relations Department of the issuer forming the subject of the report, solely for the purpose of correcting any inadvertent material inaccuracies. Like all members employees, analysts receive compensation that is impacted by overall firm profitability. For further details about the specific risks of the company and about the valuation methods used to determine the price targets included in this report/note, please refer to the latest relevant published research on single stock. Research is available through your sales representative. ESN will provide periodic updates on companies or sectors based on company-specific developments or announcements, market conditions or any other publicly available information. Unless agreed in writing with an ESN Member, this research is intended solely for internal use by the recipient. Neither this document nor any copy of it may be taken or transmitted into Australia, Canada or Japan or distributed, directly or indirectly, in Australia, Canada or Japan or to any resident thereof. This document is for distribution in the U.K. Only to persons who have professional experience in matters relating to investments and fall within article 19(5) of the financial services and markets act 2000 (financial promotion) order 2005 (the "order") or (ii) are persons falling within article 49(2)(a) to (d) of the order, namely high net worth companies, unincorporated associations etc (all such persons together being referred to as "relevant persons"). This document must not be acted on or relied upon by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons. The distribution of this document in other jurisdictions or to residents of other jurisdictions may also be restricted by law, and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. By accepting this report you agree to be bound by the foregoing instructions. You shall indemnify ESN, its Members and their affiliates (and any director, officer or employee thereof) against any damages, claims, losses, and detriments resulting from or in connection with the unauthorized use of this document.

For additional information and individual disclaimer please refer to www.esnpartnership.eu and to each ESN Member websites:

www.bancaakros.it
www.caixabi.pt
www.cajamadridbolsa.es
www.cmcics.com
www.danskeequities.com
www.degroof.be
www.equinet-ag.de
www.ibg.gr
www.ncb.ie
www.snssecurities.nl


Members of ESN (European Securities Network LLP)


Banca Akros S.p.A.
Viale Eginardo, 29
20149 Milano
Italy
Phone: +39 02 43 444 389
Fax: +39 02 43 444 302


Bank Degroof
Rue de l'Industrie 44
1040 Brussels
Belgium
Phone: +32 2 287 91 16
Fax: +32 2 231 09 04


Caixa-Banco de Investimento
Rua Barata Salgueiro, 33-5
1269-050 Lisboa
Portugal
Phone: +351 21 389 68 00
Fax: +351 21 389 68 98


Caja Madrid Bolsa S.V.B.
Serrano, 39
28001 Madrid
Spain
Phone: +34 91 436 7813
Fax: +34 91 577 3770


CM - CIC Securities
6, avenue de Provence
75441 Paris
Cedex 09
France
Phone: +33 1 4016 2692
Fax: +33 1 4596 7788




Danske Markets Equities
Holmens Kanal 2-12
DK-1092 Copenhagen K
Denmark
Phone: +45 45 12 00 00
Fax: +45 45 14 91 87


Equinet AG
Gräfenstraße 97
60487 Frankfurt am Main
Germany
Phone: +49 69 - 58997 - 410
Fax: +49 69 - 58997 - 299


Investment Bank of Greece
24B, Kifisias Avenue
151 25 Marousi
Greece
Phone: +30 210 81 73 000
Fax: +30 210 68 96 325


NCB Stockbrokers Ltd.
3 George Dock,
Dublin 1
Ireland
Phone: +353 1 611 5611
Fax: +353 1 611 5781


SNS Securities N.V.
Nieuwezijds Voorburgwal 162
P.O.Box 235
1000 AE Amsterdam
The Netherlands
Phone: +31 20 550 8500
Fax: +31 20 626 8064



European Securities Network LLP
Registered office c/o Withers LLP
16 Old Bailey - London EC4M 7EG