



17 May 2010

Investment Research

Buy

Recommendation unchanged

Share price: EUR 3.15

closing price as of 14/05/2010

Target price: EUR 4.20

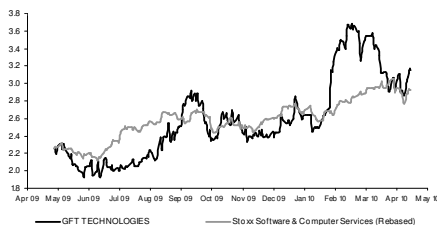
Target Price unchanged

Reuters/Bloomberg GFTG.DE/GFT GY

Daily avg. no. trad. sh. 12 mth	33,358
Daily avg. trad. vol. 12 mth (m)	0.09
Price high 12 mth (EUR)	3.68
Price low 12 mth (EUR)	1.93
Abs. perf. 1 mth	0.7%
Abs. perf. 3 mth	26.5%
Abs. perf. 12 mth	46.7%

Market capitalisation (EURm)	83
Current N° of shares (m)	26
Free float	57%

Key financials (EUR)	12/09	12/10e	12/11e
Sales (m)	217	231	240
EBITDA (m)	9	10	12
EBITDA margin	3.9%	4.4%	4.9%
EBIT (m)	7	9	11
EBIT margin	3.5%	4.0%	4.4%
Net Profit (adj.)(m)	6	7	8
ROCE	11.0%	13.0%	14.8%
Net debt/(cash) (m)	(35)	(40)	(45)
Net Debt Equity	-0.5	-0.6	-0.6
Net Debt/EBITDA	-4.2	-4.0	-3.9
Int. cover(EBITDA/Fin.int)	(16.4)	(19.1)	(20.2)
EV/Sales	0.1	0.2	0.2
EV/EBITDA	3.4	4.2	3.2
EV/EBITDA (adj.)	3.4	4.2	3.2
EV/EBIT	3.9	4.7	3.6
P/E (adj.)	10.4	11.9	10.3
P/BV	1.0	1.2	1.1
OpFCF yield	9.0%	8.0%	9.5%
Dividend yield	3.2%	3.5%	3.5%
EPS (adj.)	0.23	0.26	0.31
BVPS	2.50	2.66	2.87
DPS	0.10	0.11	0.11



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

For company description please see summary table footnote

Guidance increase after a strong Q1 2010

The facts: GFT Technologies has had a very good start of the FY 2010 and clearly exceed our expectations in Q1 2010. The company has upped its guidance after the good results and now expects to achieve a pre-tax profit of EUR 9-10m. We have increased our earnings estimates in due course and lift our target price to EUR 4.20. We see our Buy recommendation confirmed.

Our analysis: Revenues of GFT technologies increased by 2% to EUR 54.4m in Q1 2010. This was better than we had expected and in our view an excellent result as one has to keep in mind that Q1 2010 was a relatively good quarter, which was hardly effected by the crisis yet.

This positive development was mainly driven by the Services segment, which increased its sales by 22% to EUR 26.6m. The Spanish outsourcing project contributed roughly 13 percentage points or EUR 2.8m, while organic revenue growth amounted to roughly 9%. Demand was very strong especially for IT solutions for corporate and investment banking.

The Resourcing segment on the other hand continued to suffer from weak demand, which resulted in a decrease of revenues of 11% to EUR 27.8m. This development was mainly related to a weak development in the field of Ressource Management, which experienced a drop in revenues of 17% to EUR 13.8m as customers from the manufacturing sector continued to run cost savings programs in Q1 2010. Revenues in the area of Third Party Management on the other hand remained almost unchanged at EUR 14.05m.

Group EBIT increased by 60% to EUR 1.50m, with the EBIT margin up 81bp to 2.8%. This was 20% better than we had expected. Pre-tax profit increased by 48% to EUR 1.6m.

The main driver of this good result was the positive development of the high margin Services segment, which increased its pre-tax profit by 68% to EUR 1.3m. The segment benefitted from a high level of capacity utilisation, which was despite the additional head count from the outsourcing deal in Spain almost at an optimal level. If GFT would not have suffered from a cost overrun in a fixed price project in Germany, which burdened the result by EUR 1m in Q1 2010, the result would have been even better.

The result of the Resourcing Segment was burdened by the decrease in revenues. A weaker revenue mix with an increasing share of the lower margin Third Party Management business led to additional pressure on the margin. Overall, the pre-tax result decreased by 40% to EUR 0.38m.

Quarterly development

EUR m	Q1 2010	Q1 2009	% YoY	equinet	Delta
Revenues	54.4	53.2	2%	52.5	4%
of which: Services	26.6	21.9	22%	24.3	10%
of which: Resourcing	27.8	31.3	-11%	28.2	-1%
EBITDA	1.8	1.3	36%	1.6	14%
EBITDA Margin	3.3%	2.5%	82 BP	3.0%	29 BP
EBIT	1.5	1.0	45%	1.3	19%
EBIT Margin	2.8%	1.9%	81 BP	2.4%	36 BP
EBT	1.6	1.1	48%	1.4	16%
EBT Margin	3.0%	2.1%	93 BP	2.7%	32 BP
of which: Services	1.3	0.8	68%	1.1	20%
of which: Resourcing	0.4	0.6	-40%	0.6	-38%
Net income	1.2	0.7	61%	1.0	16%

Source: GFT Technologies, equinet Research

Following the strong first quarter 2010 GFT Technologies has increased its earnings guidance. While the company has kept its revenue guidance unchanged at EUR 230m for FY 2010 it now sees the pre-tax result in a range of EUR 9m to EUR 10m in FY 2010 (before: EUR 8-9m).

We have increased our earnings estimates in due course and now expect a pre-tax profit of EUR 9.7m, up 8%. Our EPS forecast has been increased to EUR 0.26. For FY 2011 we have increased our EPS forecast by 5% to EUR 0.31.

Changes to our estimates

	2010e			2011e			2012e		
	Old	New	Chg.	Old	New	Chg.	Old	New	Chg.
Revenues	230.51	230.51	0%	239.84	239.84	0%	249.57	249.57	0%
EBIT	8.40	9.13	9%	10.09	10.64	5%	10.86	11.44	5%
EBT	8.93	9.67	8%	10.67	11.22	5%	11.50	12.08	5%
Net result	6.43	6.96	8%	7.68	8.08	5%	8.28	8.70	5%
EPS	0.24	0.26	8%	0.29	0.31	5%	0.31	0.33	5%
EPS (adj.)	0.24	0.26	8%	0.29	0.31	5%	0.31	0.33	5%

Source: GFT Technologies, equinet Research



Based on the increased earnings expectations and updated peer multiples we have also increased our target price from so far EUR 4.10 to EUR 4.20.

Peer Group Valuation

Company	PE 2010e	PE 2011e	EV/EBIT '10e	EV/EBIT '11e	EV/EBITDA '10e	EV/EBITDA '11e
Employment Services (internat.)						
ADECCO SA B	n.a.	22.9	15.7	10.9	12.8	9.4
HAYS PLC	n.a.	23.4	21.2	15.6	17.7	13.2
MANPOWER	n.a.	20.3	12.4	7.7	9.6	6.6
PARITY GROUP PLC	5.1	2.5	3.0	n.a.	2.6	n.a.
Median I	5.1	21.6	14.1	10.9	11.2	9.4
Application Services (internat.)						
ATOS ORIGIN	14.2	11.6	9.1	6.9	5.1	4.3
CAP GEMINI SA	21.1	15.2	8.3	5.9	5.8	4.4
ITELLIGENCE AG	16.7	14.5	5.6	4.5	3.4	2.7
CENIT AG	12.6	10.5	2.6	1.8	2.1	1.5
Median II	15.4	13.1	7.0	5.2	4.2	3.5
Median (total)	14.2	14.8	8.7	6.9	5.5	4.4
GFT TECHNOLOGIES AG	11.0	9.4	3.8	2.7	3.4	2.5
relativ	77.3%	63.8%	43.1%	39.5%	61.8%	56.0%
Forecasts EPS / EBIT / EBITDA	0.26	0.31	9.13	10.64	10.18	11.72
Forecasts Net debt (incl. pensions)			-42.02	-47.21	-42.02	-47.21
Fair value per share	3.8	4.5	4.6	4.6	3.7	3.8

Fair value per share (median) 4.2

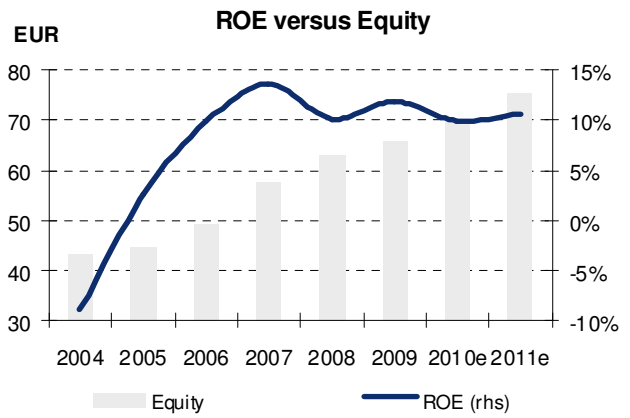
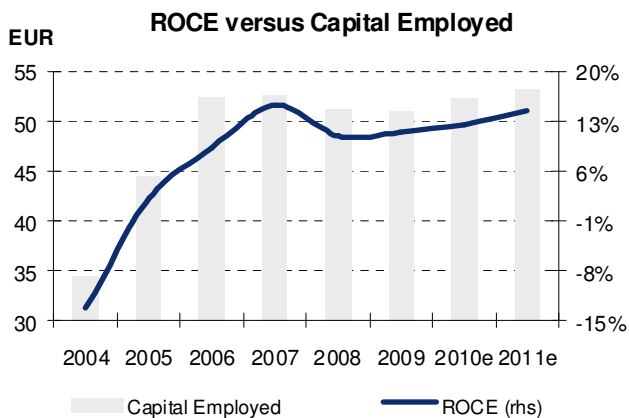
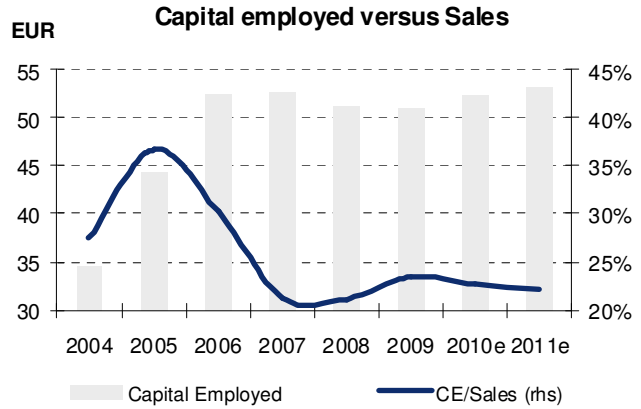
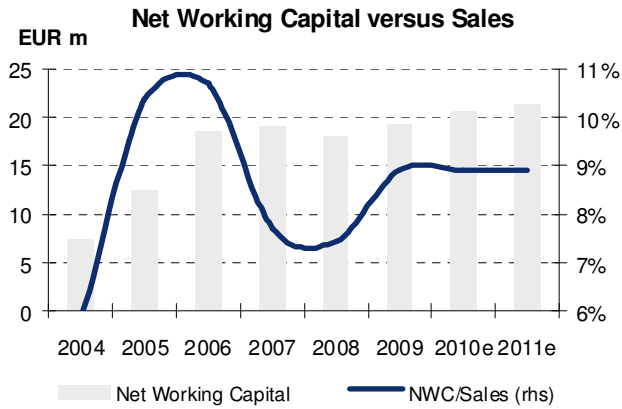
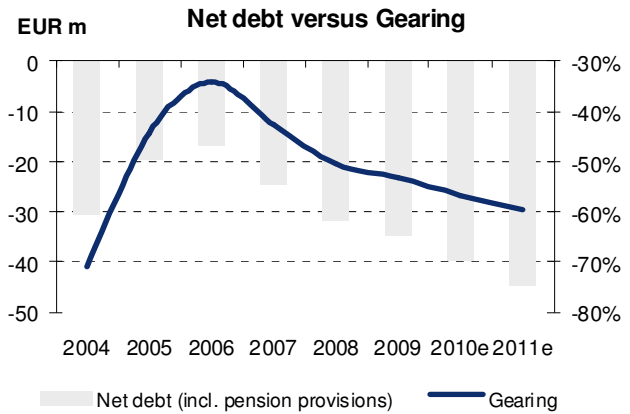
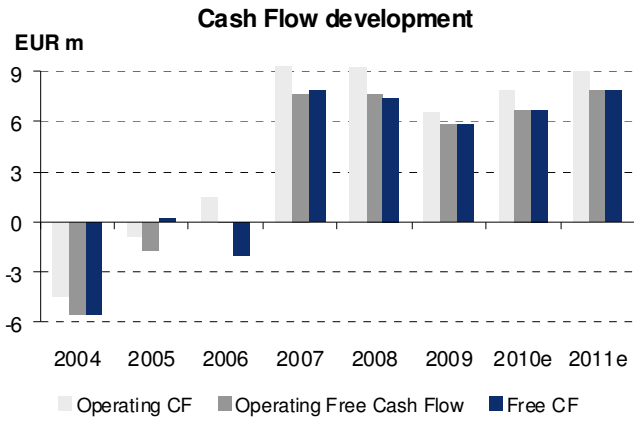
Source: Datastream, equinet Research

Conclusion & Action: GFT Technologies continues to be a highly interesting investment opportunity in our view. Its business model has proven to be extremely resilient during the crisis year 2009, it is highly cash generative and offers a very low level of valuation. We confirm our Buy recommendation and raise our target price to EUR 4.20.

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More than Words



Sources: Company data, equinet Research



GFT Technologies AG: Summary tables

PROFIT & LOSS (EURm)	2006	2007	2008	2009	2010e	2011e
Sales	174	247	242	217	231	240
Cost of Sales & Operating Costs	166	234	234	208	220	228
Non Recurrent Expenses/Income	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	7.6	13.2	8.0	8.5	10.2	11.7
EBITDA (adj.)*	7.6	13.2	8.0	8.5	10.2	11.7
Depreciation	-1.0	-1.1	-1.1	-0.9	-0.9	-0.9
EBITA	6.5	12.1	6.9	7.6	9.2	10.8
EBITA (adj)*	6.5	12.1	6.9	7.6	9.2	10.8
Amortisations and Write Downs	-0.4	-1.0	-0.1	-0.1	-0.1	-0.1
EBIT	6.2	11.1	6.8	7.5	9.1	10.6
EBIT (adj.)*	6.2	11.1	6.8	7.5	9.1	10.6
Net Financial Interest	0.2	0.5	0.5	0.5	0.5	0.6
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)	6.4	11.6	7.3	8.0	9.6	11.2
Tax	-1.6	-3.8	-0.9	-1.7	-2.7	-3.1
<i>Tax rate</i>	<i>24.3%</i>	<i>32.4%</i>	<i>12.4%</i>	<i>20.8%</i>	<i>28.1%</i>	<i>28.1%</i>
Discontinued Operations	0.0	0.0	0.0	1.4	0.0	0.0
Minorities	0.0	0.0	0.0	0.0	0.0	0.0
Net Profit (reported)	5	8	6	8	7	8
Net Profit (adj.)	5	9	6	6	7	8
CASH FLOW (EURm)	2006	2007	2008	2009	2010e	2011e
Cash Flow from Operations before change in NWC	4.5	11.8	6.8	7.8	7.3	9.9
Change in Net Working Capital	-3.0	-2.4	2.4	-1.2	0.5	-0.9
Cash Flow from Operations	1.5	9.3	9.2	6.6	7.8	9.0
Capex	-1.5	-1.8	-1.6	-0.8	-1.1	-1.1
Net Financial Investments	-2.1	0.3	-0.2	0.0	0.0	0.0
Free Cash Flow	-2.1	7.9	7.4	5.8	6.7	7.8
Dividends	0.0	0.0	0.0	-2.6	-2.6	-2.6
Other (incl. Capital Increase & share buy backs)	-0.7	0.0	-0.1	-0.6	0.7	0.0
Change in Net Debt	-3	8	7	3	5	5
NOPLAT	4	7	4	5	6	7
BALANCE SHEET & OTHER ITEMS (EURm)	2006	2007	2008	2009	2010e	2011e
Net Tangible Assets	2.4	2.6	2.6	2.2	2.3	2.4
Net Intangible Assets (incl. Goodwill)	21.1	21.2	20.8	20.7	20.7	20.7
Net Financial Assets & Other	10.4	9.7	9.7	8.7	8.7	8.7
Total Fixed Assets	34.0	33.5	33.1	31.7	31.8	31.8
Net Working Capital	18.5	19.0	18.0	19.3	20.5	21.4
Net Capital Invested	52.5	52.6	51.2	51.0	51.6	52.5
Group Shareholders Equity	49.4	57.7	63.2	65.8	70.1	75.5
<i>o/w own Shareholders Equity</i>	<i>49.4</i>	<i>57.7</i>	<i>63.2</i>	<i>65.8</i>	<i>70.1</i>	<i>75.5</i>
Net Debt	-17.7	-25.5	-32.9	-35.5	-40.2	-45.5
Provisions	14	16	14	15	15	16
Other Net Liabilities or Assets	6	4	7	6	6	7
Net Capital Employed	53	53	51	51	52	53
GROWTH & MARGINS	2006	2007	2008	2009	2010e	2011e
<i>Sales growth</i>	<i>43.6%</i>	<i>42.3%</i>	<i>-2.0%</i>	<i>-10.5%</i>	<i>6.3%</i>	<i>4.0%</i>
EBITDA (adj.)* growth	190.9%	74.4%	-39.3%	6.4%	19.1%	15.1%
<i>EBITA (adj.)* growth</i>	<i>284.3%</i>	<i>85.2%</i>	<i>-43.0%</i>	<i>10.8%</i>	<i>21.0%</i>	<i>16.4%</i>
<i>EBIT (adj)*growth</i>	<i>327.2%</i>	<i>79.4%</i>	<i>-39.0%</i>	<i>11.0%</i>	<i>21.4%</i>	<i>16.7%</i>
<i>Net Profit growth</i>	<i>380.0%</i>	<i>68.2%</i>	<i>-29.9%</i>	<i>2.7%</i>	<i>12.5%</i>	<i>16.1%</i>
EPS adj. growth	380.0%	68.2%	-29.9%	2.7%	12.5%	16.1%
<i>DPS adj. growth</i>			<i>+chg</i>	<i>0.0%</i>	<i>10.0%</i>	<i>0.0%</i>
EBITDA margin	4.4%	5.4%	3.3%	3.9%	4.4%	4.9%
<i>EBITDA (adj)* margin</i>	<i>4.4%</i>	<i>5.4%</i>	<i>3.3%</i>	<i>3.9%</i>	<i>4.4%</i>	<i>4.9%</i>
<i>EBITA margin</i>	<i>3.8%</i>	<i>4.9%</i>	<i>2.8%</i>	<i>3.5%</i>	<i>4.0%</i>	<i>4.5%</i>
<i>EBITA (adj)* margin</i>	<i>3.8%</i>	<i>4.9%</i>	<i>2.8%</i>	<i>3.5%</i>	<i>4.0%</i>	<i>4.5%</i>
<i>EBIT margin</i>	<i>3.6%</i>	<i>4.5%</i>	<i>2.8%</i>	<i>3.5%</i>	<i>4.0%</i>	<i>4.4%</i>
<i>EBIT (adj)* margin</i>	<i>3.6%</i>	<i>4.5%</i>	<i>2.8%</i>	<i>3.5%</i>	<i>4.0%</i>	<i>4.4%</i>

GFT Technologies AG: Summary tables

RATIOS	2006	2007	2008	2009	2010e	2011e
Net Debt/Equity	-0.4	-0.4	-0.5	-0.5	-0.6	-0.6
Net Debt/EBITDA	-2.3	-1.9	-4.1	-4.2	-4.0	-3.9
Interest cover (EBITDA/Fin.interest)	nm	nm	nm	nm	nm	nm
Capex/D&A	106.8%	80.9%	128.0%	72.4%	106.7%	104.7%
Capex/Sales	0.9%	0.7%	0.7%	0.3%	0.5%	0.5%
NWC/Sales	10.7%	7.7%	7.4%	8.9%	8.9%	8.9%
ROE (average)	10.9%	16.1%	10.0%	9.6%	10.2%	11.1%
ROCE (adj.)	9.1%	16.0%	10.1%	11.0%	13.0%	14.8%
WACC	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%
ROCE (adj.)/WACC	0.9	1.5	1.0	1.0	1.2	1.4
PER SHARE DATA (EUR)***	2006	2007	2008	2009	2010e	2011e
Average diluted number of shares	26.3	26.3	26.3	26.3	26.3	26.3
EPS (reported)	0.19	0.33	0.23	0.18	0.26	0.31
EPS (adj.)	0.19	0.33	0.23	0.23	0.26	0.31
BVPS	1.88	2.19	2.40	2.50	2.66	2.87
DPS	0.00	0.00	0.10	0.10	0.11	0.11
VALUATION	2006	2007	2008	2009	2010e	2011e
EV/Sales	0.3	0.2	0.0	0.1	0.2	0.2
EV/EBITDA	6.5	4.4	0.3	3.4	4.2	3.2
EV/EBITDA (adj.)*	6.5	4.4	0.3	3.4	4.2	3.2
EV/EBITA	7.6	4.8	0.3	3.8	4.7	3.5
EV/EBITA (adj.)*	7.6	4.8	0.3	3.8	4.7	3.5
EV/EBIT	8.0	5.3	0.3	3.9	4.7	3.6
EV/EBIT (adj.)*	8.0	5.3	0.3	3.9	4.7	3.6
P/E (adj.)	13.0	9.7	5.7	10.4	11.9	10.3
P/BV	1.3	1.4	0.5	1.0	1.2	1.1
Total Yield Ratio	0.0%	0.0%	7.7%	3.2%	3.2%	4.1%
EV/CE	1.2	1.4	0.1	0.7	1.0	0.9
OpFCF yield	0.0%	9.1%	22.1%	9.0%	8.0%	9.5%
OpFCF/EV	0.0%	13.0%	331.3%	19.9%	15.4%	20.6%
Payout ratio	0.0%	0.0%	43.7%	55.5%	41.6%	35.8%
Dividend yield (gross)	0.0%	0.0%	7.7%	3.2%	3.5%	3.5%
EV AND MKT CAP (EURm)	2006	2007	2008	2009	2010e	2011e
Price** (EUR)	2.5	3.2	1.3	2.4	3.2	3.2
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	64.2	83.0	83.0
Net Debt	-17.7	-25.5	-32.9	-35.5	-40.2	-45.5
<i>o/w Cash & Marketable Securities (-)</i>	<i>-20.2</i>	<i>-25.7</i>	<i>-33.0</i>	<i>-35.5</i>	<i>-40.2</i>	<i>-45.5</i>
<i>o/w Gross Debt (+)</i>	<i>2.6</i>	<i>0.2</i>	<i>0.2</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>
Other EV components	1	1	1	0	0	0
Enterprise Value (EV adj.)	50	58	2	29	43	38

Source: Company, Equinet estimates.

Notes

* Where EBITDA (adj.) or EBITA (adj) or EBIT (adj.)= EBITDA (or EBITA 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.

Sector: Software & Computer Services/Computer Services

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	18.00	Buy		Integralis AG	Schäfer	6.75	Hold	2/3
Ad pepper	Pehl	2.40	Buy	2/3	Interseroh	Schäfer	40.00	Reduce	2/3
adidas	Faust	45.00	Accumulate		Isra	Aubéry	18.00	Buy	2/3/5
Advanced Vision Technology	Aubéry	4.00	Buy	2/3	Itelligence	Demidova	6.00	Accumulate	2/3
Aixtron	Pehl	28.50	Hold	2/3	IVG Immobilien AG	Rothenbacher	8.50	Buy	
Allianz	Häßler	98.00	Hold		Kontron	Pehl	8.00	Accumulate	
Analytik Jena	Demidova	11.00	Accumulate	7	Krones AG	Schmidt	44.00	Buy	
Augusta Technologie	Simmroß	14.50	Buy	7	KTG Agrar	Schäfer	16.00	Hold	2/3/4/5
BASF	Demidova	57.00	Buy		KUKA	Schäfer	9.50	Reduce	
Bayer	Possienke	52.00	Hold		K+S AG	Schäfer	52.00	Buy	
BayWa	Schäfer	35.00	Buy	5	LANXESS	Demidova	33.00	Hold	
Beta Systems Software	Schuldt	3.20	Buy	2/3	Leoni	Schuldt	23.00	Buy	
Beiersdorf	Aubéry	44.00	Hold		Loewe	Faust	15.00	Buy	2
Bijou Brigitte	Faust	130.00	Hold		Logwin	Rothenbacher	1.30	Hold	2/3
Bilfinger Berger	Faust	63.00	Buy		Lufthansa	Rothenbacher	14.50	Buy	
Biopetrol Industries	Schäfer	2.00	Buy	2/3/5	MAN	Schuldt	86.00	Buy	
Biotest	Possienke	45.00	Accumulate	2/3	MAX Automation AG	Schmidt	3.20	Accumulate	2/5
BMW	Schuldt	43.00	Buy		Medion	Simmroß	12.00	Buy	
Carl Zeiss Meditec	Aubéry	13.00	Accumulate		Merck	Possienke	70.00	Accumulate	
Celasio	Possienke	28.00	Accumulate		MLP	Häßler	7.50	Hold	
Cerint AG Systemhaus	Pehl	7.00	Buy	2/3	Mobotix AG	Pehl	34.00	Buy	2/3
comdirect	Häßler	8.00	Hold		Morphosys	Possienke	33.00	Buy	
Commerzbank	Häßler	4.60	Reduce		MTU	Pehl	48.00	Accumulate	2
Conergy	Growe	0.40	Sell		Munich Re	Häßler	125.00	Hold	
Continental	Schuldt	38.00	Suspended		Nanogate AG	Demidova	21.00	Accumulate	2/3
D.Logistics	Rothenbacher	1.70	Buy	2/3	Nexus AG	Demidova	3.30	Hold	2/3
DAB Bank	Häßler	4.40	Hold		Pleiffer Vacuum	Pehl	67.00	Accumulate	
Daimler AG	Schuldt	48.00	Buy		Pfleiderer	Faust	3.50	Sell	
Daldrup & Soehne	Growe	25.00	Accumulate	2/3/4/5	Phoenix Solar	Growe	40.00	Buy	
Demag Cranes	Schmidt	27.00	Hold	2	Porsche	Schuldt	49.00	Hold	
Deutsche Bank	Häßler	62.00	Buy		Postbank	Häßler	28.00	Accumulate	
Deutsche Boerse	Häßler	55.00	Hold		PSI	Schäfer	8.60	Hold	2/5
Deutsche EuroShop	Rothenbacher	26.50	Accumulate		Puma	Faust	180.00	Sell	
Deutsche Forfait	Häßler	8.00	Buy	2/3	Q-Cells	Growe	6.00	Reduce	
Deutsche Post	Rothenbacher	14.00	Accumulate		Rheinmetall	Pehl	60.00	Accumulate	
Deutsche Telekom	Pehl	9.50	Hold		Rhoen-Klinikum	Possienke	21.00	Accumulate	
DNICK Holding plc	Simmroß	10.00	Buy	2/3	Roth & Rau	Growe	33.00	Buy	
Douglas Holding	Faust	40.00	Buy		RWE	Schäfer	74.00	Accumulate	
Drägerwerk	Aubéry	65.00	Buy		Salzgitter	Growe	60.00	Reduce	
E.ON	Schäfer	30.00	Hold		Seven Principles AG	Pehl	6.00	Accumulate	2/3/5
EiningKlinger	Schuldt	20.00	Hold		Singulus Technologies	Growe	6.50	Accumulate	5
Euromicron AG	Pehl	31.00	Buy	5	SMT SCHARF AG	Schmidt	15.00	Buy	2/3
Fielmann	Possienke	67.00	Buy		Software AG	Pehl	82.00	Hold	
Fraport	Rothenbacher	40.00	Hold		Solar-Fabrik	Growe	3.75	Hold	2/3/5
Freenet	Pehl	12.50	Buy	2	SolarWorld	Growe	11.50	Accumulate	
Fresenius	Possienke	45.00	Reduce		Solon	Growe	4.00	Sell	
Fresenius Medical Care	Possienke	44.00	Accumulate		Stada	Possienke	35.00	Accumulate	
Fuchs Petrolub	Demidova	92.00	Buy		Suess Micro Tec	Pehl	5.00	Buy	2/3
GEA Group	Schmidt	21.00	Buy		Sunways	Growe	4.50	Accumulate	2/3
Gerresheimer AG	Aubéry	30.00	Accumulate		ThyssenKrupp	Growe	20.00	Reduce	
Gesco	Schmidt	47.00	Buy	2/3	Tognum	Schmidt	14.00	Hold	
GFT Technologies	Schuldt	4.10	Buy	2/3	TUI	Rothenbacher	8.00	Hold	
Gildemeister	Schmidt	8.00	Reduce		Twintec	Schäfer	15.00	Buy	2/3/5
Grenkeleasing AG	Häßler	31.00	Hold		United Intemet	Pehl	13.00	Accumulate	
Hannover Re	Häßler	36.00	Hold		VBH Holding	Faust	4.10	Hold	
Heidelberger Druck	Schmidt	7.00	Buy		Volkswagen	Schuldt	86.00	Buy	2/3
Henkel	Demidova	36.00	Reduce		Vossloh	Schmidt	88.00	Accumulate	
HHLA	Rothenbacher	33.00	Buy		Wacker Chemie	Growe	118.00	Hold	
Hochtief	Faust	90.00	Buy		Wincor Nixdorf	Pehl	58.00	Buy	
Hugo Boss	Faust	28.00	Hold		4SC AG	Aubéry	4.80	Buy	2/3
iFAO AG	Rothenbacher	12.00	Buy	2/3					

Source: equinet Recommendations



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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

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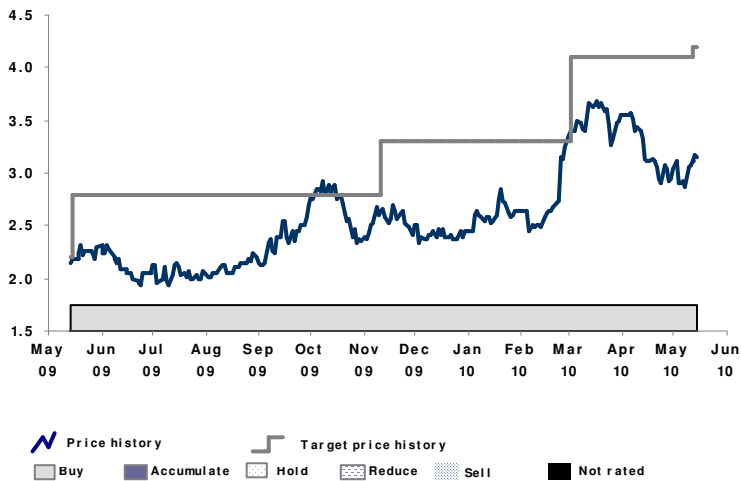
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Recommendation history for GFT TECHNOLOGIES

Date	Recommendation	Target price	Price at change date
12-May-10	Buy	4.20	3.12
10-May-10	Buy	4.10	3.05
11-Nov-09	Buy	3.30	2.63
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

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: Tim Schuldts, CFA (since 15/02/2010)



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**.

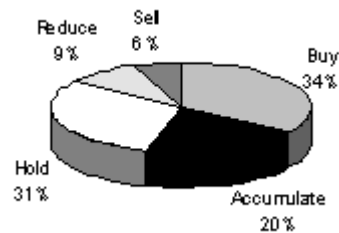
The ESN spectrum of recommendations (or ratings) for each stock comprises 5 categories: **Buy, Accumulate (or Add), Hold, Reduce and Sell (in short: B, A, H, R, S)**.

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
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equinet Ratings Breakdown

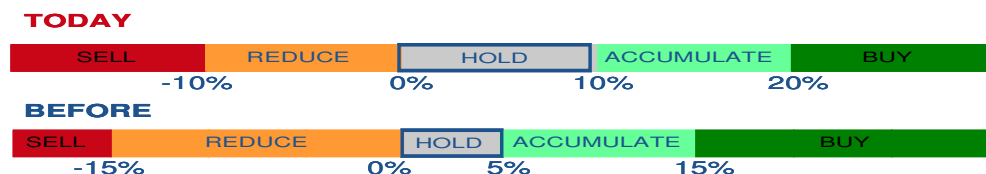


History of ESN Recommendation System

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:



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