

Investment Research

Buy

Recommendation unchanged

Share price: EUR 2.70

closing price as of 15/11/2011

Target price: EUR 3.10

from Target Price: EUR **4.60**

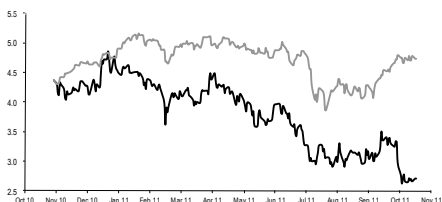
Reuters/Bloomberg

GFTG.DE/GFT GY

Daily avg. no. trad. sh. 12 mth	31,285
Daily avg. trad. vol. 12 mth (m)	0.12
Price high 12 mth (EUR)	4.86
Price low 12 mth (EUR)	2.61
Abs. perf. 1 mth	-19.4%
Abs. perf. 3 mth	-17.3%
Abs. perf. 12 mth	-33.5%

Market capitalisation (EURm)	71
Current N° of shares (m)	26
Free float	57%

Key financials (EUR)	12/09	12/10e	12/11e
Sales (m)	217	248	270
EBITDA (m)	9	12	12
EBITDA margin	3.9%	4.9%	4.4%
EBIT (m)	7	11	10
EBIT margin	3.4%	4.4%	3.9%
Net Profit (adj.)(m)	6	8	8
ROCE	10.8%	13.4%	10.6%
Net debt/(cash) (m)	(35)	(26)	(22)
Net Debt Equity	-0.5	-0.4	-0.3
Net Debt/EBITDA	-4.2	-2.2	-1.8
Int. cover(EBITDA/Fin.int)	(16.4)	(23.0)	(26.0)
EV/Sales	0.1	0.3	0.1
EV/EBITDA	3.4	5.8	3.1
EV/EBITDA (adj.)	3.4	5.8	3.1
EV/EBIT	4.0	6.5	3.6
P/E (adj.)	10.4	13.2	8.7
P/BV	1.0	1.5	0.9
OpFCF yield	9.0%	5.1%	-2.4%
Dividend yield	3.7%	5.6%	5.6%
EPS (adj.)	0.23	0.31	0.31
BVPS	2.50	2.71	2.92
DPS	0.10	0.15	0.15



Source: Factset

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

For company description please see summary table footnote

Tough environment is burdening GFT Technologies

The facts: GFT Technologies has reported solid Q3 2011 results, which were however a bit weaker than we had expected. As the outlook for Q4 2011 has also weakened, GFT has reduced its guidance for FY 2011. We have in due course cut our estimates and target price. Due to the significant drop in the share price we do, however, reiterate our Buy recommendation.

Our analysis: Revenues in Q3 2011 grew by 3% yoy to EUR 66.1m. The Resourcing segment continued to grow at a healthy pace (+11% to EUR 37.9m), while the Services segment weakened by 6% yoy.

EBIT dropped by 12% yoy to EUR 3.5m, with the EBIT margin down 92bp to 5.3%.

EBT decreased by 14% yoy to EUR 3.5m. While the Resourcing segment continued to develop very well (EBT +48% yoy to EUR 1.0m) and in line with our expectations, Services fell short of our expectations as well as GFT Technologies internal plans.

The main reason for this slightly lower than expected result was a weak September, which is typically the most important month in a third quarter. Especially in the Investing Banking industry customers have become more reluctant to use their existing IT budgets. This has led to a weaker utilisation of GFT Technologies consultants. Utilisation decreased from 90% in the first nine months of 2010 to 87% in 2011.

Quarterly development

EUR m	Q3 2011	Q3 2010	% YoY	equinet	Delta
Revenues	66.1	64.1	3%	69.5	-5%
- Services	28.0	29.9	-6%	29.4	-5%
- Resourcing	37.9	34.1	11%	40.1	-6%
EBITDA	3.8	4.3	-10%	3.9	-2%
EBITDA Margin	5.8%	6.7%	-87 BP	5.6%	18 BP
EBIT	3.5	4.0	-12%	3.6	-3%
EBIT Margin	5.3%	6.2%	-92 BP	5.2%	11 BP
EBT	3.5	4.1	-14%	3.7	-5%
EBT Margin	5.3%	6.4%	-109 BP	5.3%	2 BP
- Services	2.8	3.7	-23%	2.9	-2%
- Resourcing	1.0	0.7	48%	1.0	1%
Net income	3.1	3.0	3%	2.5	25%

Source: GFT Technologies, equinet Research

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This situation will also weigh on Q4 2011. GFT's UK customers have already announced investment freezes in the last two-weeks of December for IT service providers. This will have a noticeable effect also on the revenue and earnings development of the Services segment in the fourth quarter.

The company has therefore reduced its guidance for FY 2011. Instead of revenues of EUR 275m and an EBT of EUR 13m GFT now expects to reach revenues of EUR 270m and an EBT of EUR 11m.

We have also reduced our estimates to account for the weaker capacity utilisation. We have cut our adj. EPS forecast by 13% to EUR 0.31 per share in FY 2011.

Q1 2012 is likely to remain weaker, but GFT is hopeful that business will pick up again in Q2 2012. So far, the company has no indications that their customers have reduced their IT budgets for FY 2012 and expects stable budgets compared to 2011. As clients have however not fully used their budgets in 2011, this could also result in a small growth.

As it is in our view extremely difficult to assess at this point in time how the macroeconomic situation will continue to develop in 2012, we are now expecting only a stable business development in FY 2012.

Due to strongly increasing price pressure GFT Technologies has decided to wind down the low margin Third Party Management (TPM) resourcing business in FY 2012. TPM is expected to contribute roughly EUR 50m in sales and EUR 0.3m in EBT in FY 2011. While this step has thus a significant impact on our revenue expectations for 2012, the effect on the EBT is neglectable.

Overall, we have reduced our EBT forecast for FY 2012 by 45% to EUR 11.2m, with the adj. EPS down 45% to EUR 0.30.

Changes to our estimates

	2011e			2012e			2013e		
	Old	New	Chg.	Old	New	Chg.	Old	New	Chg.
Revenues	283.96	270.00	-5%	305.04	220.00	-28%	325.19	241.15	-26%
EBIT	13.24	10.54	-20%	19.62	10.68	-46%	23.69	14.54	-39%
EBT	13.87	11.00	-21%	20.31	11.20	-45%	24.48	15.15	-38%
Net result	9.71	8.13	-16%	14.22	7.84	-45%	17.14	10.61	-38%
EPS	0.37	0.31	-16%	0.54	0.30	-45%	0.65	0.40	-38%
EPS (adj.)	0.37	0.31	-16%	0.54	0.30	-45%	0.65	0.40	-38%

Source: GFT Technologies, equinet Research

Due to the reduction of our estimates we have also reduced our target price, which is derived from a peer group comparison, from EUR 4.60 to EUR 3.10.



Peer Group Valuation

Company	PE 2011e	PE 2012e	EV/EBIT '11e	EV/EBIT '12e	EV/EBITDA '11e	EV/EBITDA '12e
Employment Services (internat.)						
ADECCO SA B	13.2	12.3	8.3	7.1	7.1	6.2
HAYS PLC	n.a.	12.9	n.a.	9.4	n.a.	8.0
MANPOWER	12.8	10.9	7.7	6.0	6.3	5.1
PARITY GROUP PLC	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Median I	13.0	12.3	8.0	7.1	6.7	6.2
Application Services (internat.)						
ATOS ORIGIN	11.0	9.1	8.4	6.3	5.0	3.7
CAP GEMINI SA	11.5	10.3	5.8	5.1	4.4	3.9
ITELLIGENCE AG	15.3	10.4	10.0	8.6	6.1	5.5
CENIT AG	10.8	8.9	3.7	3.1	2.7	2.3
Median II	11.2	9.7	7.1	5.7	4.7	3.8
Median (total)	11.7	10.3	7.3	6.0	5.2	4.4
GFT TECHNOLOGIES AG	8.7	9.0	3.3	2.4	2.9	2.1
relativ	74.1%	86.9%	45.3%	40.5%	56.6%	48.8%
Forecasts EPS / EBIT / EBITDA	0.31	0.30	10.54	10.68	11.88	12.13
Forecasts Net debt (incl. pensions)			-35.36	-44.23	-35.36	-44.23
Fair value per share	3.6	3.1	4.3	4.1	3.7	3.7

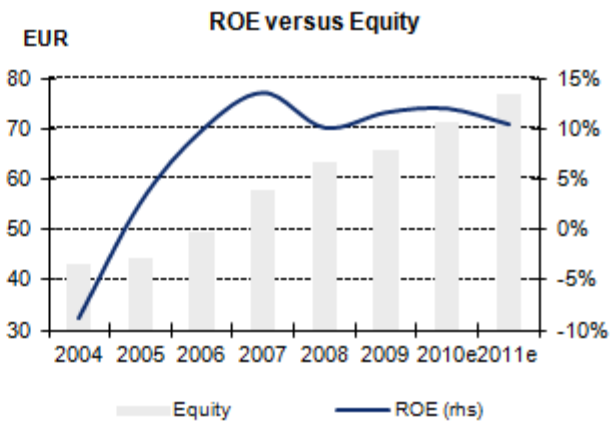
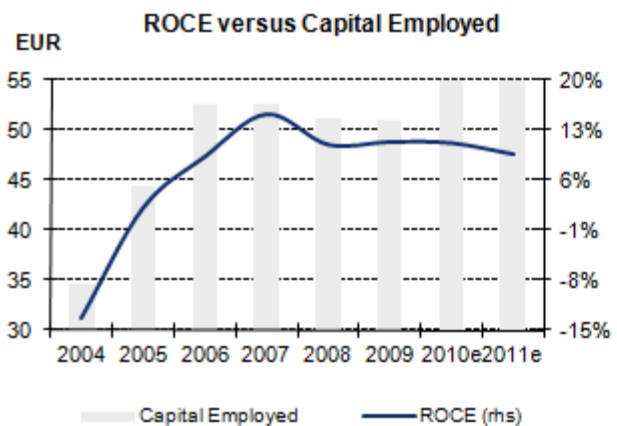
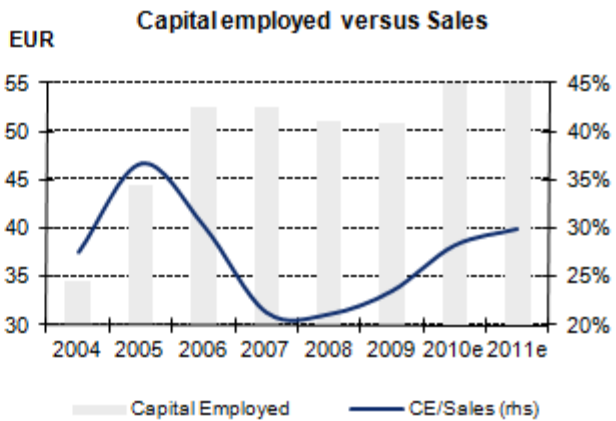
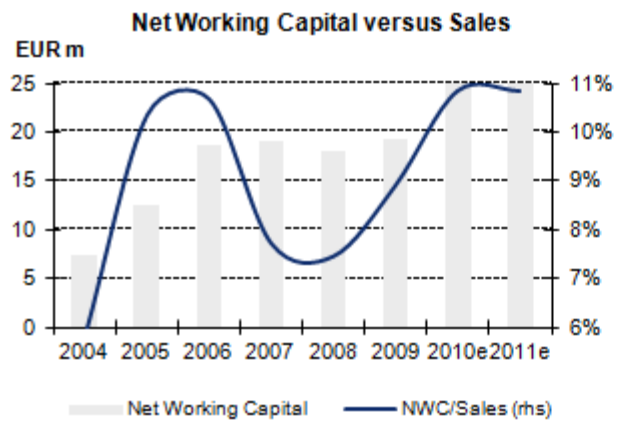
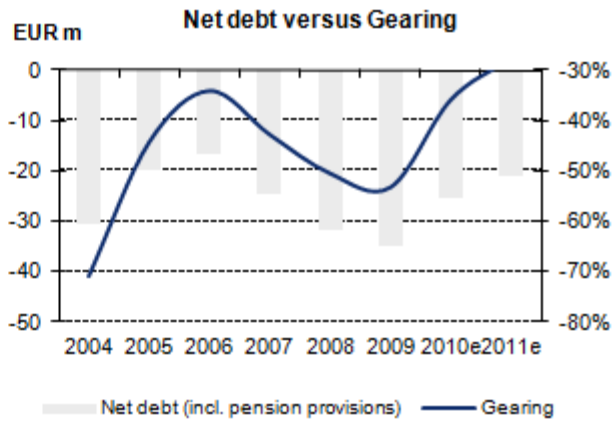
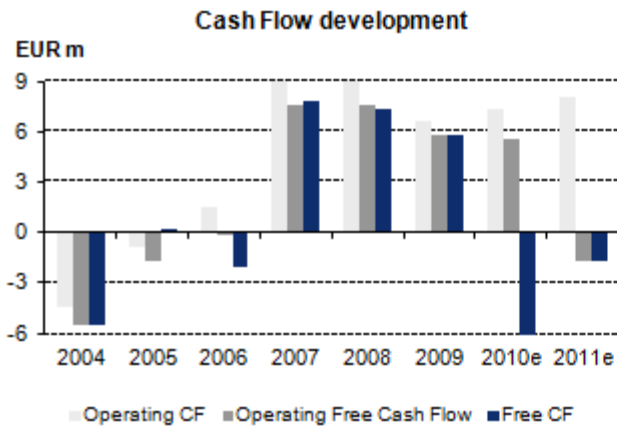
Fair value per share (median)

Target Price inc. 15% discount

Source: Datastream, equinet Research

Conclusion & Action: Due to the significant drop in the share price we reiterate our Buy recommendation on GFT Technologies. The company has proven in the past that it is able to deliver decent results even in time of economic uncertainty. In our view, this is, however, not reflected in the current share price.

More than Words



Sources: Company data, equinet Research

GFT Technologies AG: Summary tables

PROFIT & LOSS (EURm)	12/2008	12/2009	12/2010e	12/2011e	12/2012e	12/2013e
Sales	242	217	248	270	220	241
Cost of Sales & Operating Costs	-234	-208	-236	-258	-208	-225
Non Recurrent Expenses/Income	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	8.0	8.5	12.2	11.9	12.1	16.1
EBITDA (adj.)*	8.0	8.5	12.2	11.9	12.1	16.1
Depreciation	-1.0	-0.9	-1.1	-1.2	-1.2	0.0
EBITA	7.0	7.6	11.1	10.7	10.9	16.1
EBITA (adj)*	7.0	7.6	11.1	10.7	10.9	16.1
Amortisations and Write Downs	-0.3	-0.2	-0.3	-0.3	-0.3	0.0
EBIT	6.8	7.4	10.9	10.4	10.6	16.1
EBIT (adj.)*	6.8	7.4	10.9	10.4	10.6	16.1
Net Financial Interest	0.5	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)	7.3	7.9	11.4	10.9	11.1	16.7
Tax	-0.9	-1.7	-3.3	-2.9	-3.4	-4.5
<i>Tax rate</i>	<i>12.4%</i>	<i>21.2%</i>	<i>29.0%</i>	<i>26.4%</i>	<i>30.2%</i>	<i>27.3%</i>
Discontinued Operations	0.0	1.4	0.5	0.0	0.0	0.0
Minorities	0.0	0.0	0.0	0.0	0.0	0.0
Net Profit (reported)	6	8	9	8	8	12
Net Profit (adj.)	6	6	8	8	8	11
CASH FLOW (EURm)	12/2008	12/2009	12/2010e	12/2011e	12/2012e	12/2013e
Cash Flow from Operations before change in NWC	6.8	7.8	13.7	10.8	8.3	13.5
Change in Net Working Capital	2.4	-1.2	-6.4	-2.7	6.3	-2.6
Cash Flow from Operations	9.2	6.6	7.3	8.0	14.6	10.8
Capex	-1.6	-0.8	-1.7	-9.7	-1.7	-1.7
Net Financial Investments	-0.2	0.0	-12.9	0.0	0.0	0.0
Free Cash Flow	7.4	5.8	-7.3	-1.7	12.9	9.1
Dividends	0.0	-2.6	-2.6	-2.6	-3.9	-3.9
Other (incl. Capital Increase & share buy backs)	-0.1	-0.6	0.7	0.0	0.0	0.0
Change in Net Debt	7	3	-9	-4	9	5
NOPLAT	4	5	7	6	7	10
BALANCE SHEET & OTHER ITEMS (EURm)	12/2008	12/2009	12/2010e	12/2011e	12/2012e	12/2013e
Net Tangible Assets	2.6	2.2	2.7	3.0	3.3	3.5
Net Intangible Assets (incl. Goodwill)	20.8	20.7	20.8	28.8	28.9	28.9
Net Financial Assets & Other	9.7	8.7	19.7	19.7	19.7	19.7
Total Fixed Assets	33.1	31.7	43.2	51.6	51.8	52.0
Net Working Capital	18.0	19.3	26.9	29.3	23.9	26.2
Group Shareholders Equity	63.2	65.8	71.3	76.8	80.7	87.3
<i>o/w own Shareholders Equity</i>	<i>63.2</i>	<i>65.8</i>	<i>71.3</i>	<i>76.8</i>	<i>80.7</i>	<i>87.3</i>
Net Debt	-32.9	-35.5	-26.2	-21.9	-30.8	-36.0
Provisions	14	15	20	20	21	22
Other Net Liabilities or Assets	7	6	5	6	5	5
GROWTH & MARGINS	12/2008	12/2009	12/2010e	12/2011e	12/2012e	12/2013e
<i>Sales growth</i>	<i>-2.0%</i>	<i>-10.5%</i>	<i>14.5%</i>	<i>8.8%</i>	<i>-18.5%</i>	<i>9.6%</i>
EBITDA (adj.)* growth	-39.3%	6.4%	42.8%	-2.6%	2.1%	32.4%
<i>EBITA (adj.)* growth</i>	<i>-42.2%</i>	<i>8.4%</i>	<i>46.5%</i>	<i>-3.6%</i>	<i>1.7%</i>	<i>47.3%</i>
<i>EBIT (adj.)* growth</i>	<i>-39.0%</i>	<i>8.8%</i>	<i>47.7%</i>	<i>-3.9%</i>	<i>1.6%</i>	<i>51.4%</i>
<i>Net Profit growth</i>	<i>-29.9%</i>	<i>2.7%</i>	<i>33.3%</i>	<i>-1.5%</i>	<i>-3.5%</i>	<i>35.3%</i>
EPS adj. growth	-29.9%	2.7%	33.3%	-1.5%	-3.5%	35.3%
<i>DPS adj. growth</i>	<i>+chg</i>	<i>0.0%</i>	<i>50.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>-chg</i>
EBITDA margin	3.3%	3.9%	4.9%	4.4%	5.5%	6.7%
<i>EBITDA (adj.)* margin</i>	<i>3.3%</i>	<i>3.9%</i>	<i>4.9%</i>	<i>4.4%</i>	<i>5.5%</i>	<i>6.7%</i>
<i>EBITA margin</i>	<i>2.9%</i>	<i>3.5%</i>	<i>4.5%</i>	<i>4.0%</i>	<i>5.0%</i>	<i>6.7%</i>
<i>EBITA (adj.)* margin</i>	<i>2.9%</i>	<i>3.5%</i>	<i>4.5%</i>	<i>4.0%</i>	<i>5.0%</i>	<i>6.7%</i>
<i>EBIT margin</i>	<i>2.8%</i>	<i>3.4%</i>	<i>4.4%</i>	<i>3.9%</i>	<i>4.8%</i>	<i>6.7%</i>
<i>EBIT (adj.)* margin</i>	<i>2.8%</i>	<i>3.4%</i>	<i>4.4%</i>	<i>3.9%</i>	<i>4.8%</i>	<i>6.7%</i>

GFT Technologies AG: Summary tables

RATIOS	12/2008	12/2009	12/2010e	12/2011e	12/2012e	12/2013e
Net Debt/Equity	-0.5	-0.5	-0.4	-0.3	-0.4	-0.4
Net Debt/EBITDA	-4.1	-4.2	-2.2	-1.8	-2.5	-2.2
Interest cover (EBITDA/Fin.interest)	nm	nm	nm	nm	nm	nm
Capex/D&A	128.0%	63.3%	129.2%	673.4%	113.6%	nm
Capex/Sales	0.7%	0.3%	0.7%	3.6%	0.8%	0.7%
NWC/Sales	7.4%	8.9%	10.8%	10.8%	10.8%	10.8%
ROE (average)	10.0%	9.6%	12.0%	11.0%	10.0%	12.6%
ROCE (adj.)	10.1%	10.8%	13.4%	10.6%	11.7%	17.0%
WACC	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%
ROCE (adj.)/WACC	1.0	1.0	1.3	1.0	1.1	1.6
PER SHARE DATA (EUR)***	12/2008	12/2009	12/2010e	12/2011e	12/2012e	12/2013e
Average diluted number of shares	26.3	26.3	26.3	26.3	26.3	26.3
EPS (reported)	0.23	0.18	0.30	0.31	0.30	0.40
EPS (adj.)	0.23	0.23	0.31	0.31	0.30	0.40
BVPS	2.40	2.50	2.71	2.92	3.06	3.32
DPS	0.10	0.10	0.15	0.15	0.15	0.00
VALUATION	12/2008	12/2009	12/2010e	12/2011e	12/2012e	12/2013e
EV/Sales	0.0	0.1	0.3	0.1	0.1	0.1
EV/EBITDA	0.3	3.4	5.8	3.1	2.3	1.4
EV/EBITDA (adj.)*	0.3	3.4	5.8	3.1	2.3	1.4
EV/EBITA	0.3	3.8	6.3	3.5	2.6	1.4
EV/EBITA (adj.)*	0.3	3.8	6.3	3.5	2.6	1.4
EV/EBIT	0.3	4.0	6.5	3.6	2.7	1.4
EV/EBIT (adj.)*	0.3	4.0	6.5	3.6	2.7	1.4
P/E (adj.)	5.7	10.4	13.2	8.7	9.1	6.7
P/BV	0.5	1.0	1.5	0.9	0.9	0.8
Total Yield Ratio	7.7%	3.7%	3.7%	5.6%	5.6%	
EV/CE	0.1	0.7	1.4	0.6	0.5	0.4
OpFCF yield	22.1%	9.0%	5.1%	-2.4%	18.1%	12.8%
OpFCF/EV	331.3%	19.9%	7.9%	-4.5%	45.6%	39.3%
Payout ratio	43.7%	55.5%	50.8%	48.6%	50.4%	0.0%
Dividend yield (gross)	7.7%	3.7%	5.6%	5.6%	5.6%	0.0%
EV AND MKT CAP (EURm)	12/2008	12/2009	12/2010e	12/2011e	12/2012e	12/2013e
Price** (EUR)	1.3	2.4	4.1	2.7	2.7	2.7
Outstanding number of shares for main stock	26.3	26.3	26.3	26.3	26.3	26.3
Total Market Cap	34.2	64.2	109	71.1	71.1	71.1
Net Debt	-32.9	-35.5	-26.2	-21.9	-30.8	-36.0
<i>o/w Cash & Marketable Securities (-)</i>	<i>-33.0</i>	<i>-35.5</i>	<i>-26.2</i>	<i>-21.9</i>	<i>-30.8</i>	<i>-36.0</i>
<i>o/w Gross Debt (+)</i>	<i>0.2</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>
Other EV components	1	0	-12	-12	-12	-12
Enterprise Value (EV adj.)	2	29	70	37	28	23

Source: Company, Equinet Bank 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.
4SC AG	Aubéry	3.60	Buy	2/3	IntegralsAG	Schäfer	6.75	Hold	2/3
Aareal Bank	Häßler	20.00	Buy		Interseroh	Schäfer	50.00	Buy	2/3
Adpepper	Pehl	1.80	Buy	2/3	Itelligence	Demidova	8.80	Buy	2/3/5
adidas	Faust	64.00	Buy		IVG ImmobilienAG	Rotenbacher	5.00	Buy	
Advanced Vision Technology	Aubéry	5.50	Buy	2/3	K+S AG	Schäfer	57.00	Buy	
Aixtron	Pehl	9.00	Reduce	2/3	KHD HUMBOLDT WEDAG INTERNATIONAL	Schuldt	7.60	Buy	
Allianz	Häßler	82.00	Accumulate		Kontron	Pehl	7.00	Buy	
Analytik Jena	Demidova	9.50	Accumulate	7	KronesAG	Schmidt	35.00	Reduce	
Augusta Technologie	Pehl	25.00	Buy	7	KTG Agrar	Schäfer	16.00	Accumulate	2/3/5
BASF	Demidova	72.00	Buy		KUKA	Schäfer	18.00	Hold	
BAUER AG	Schmidt	24.00	Accumulate		LANXESS	Demidova	59.00	Buy	
Bayer	Possienke	50.00	Accumulate		Leoni	Schuldt	41.00	Buy	
BayWa	Schäfer	33.00	Accumulate	5	Linde	Demidova	130.00	Accumulate	
BB Biotech	Aubéry	62.00	Buy	2/7	Loewe	Faust	6.00	Hold	2
Beiersdorf	Aubéry	42.00	Hold		Logwin	Rotenbacher	1.60	Buy	2/3/5
Berentzen	Faust	7.00	Buy	2/3	LPK FLASER & ELECTRONICS	Schuldt	14.00	Hold	
Beta Systems Software	Schuldt	2.10	Hold	2/3	Lufthansa	Rotenbacher	12.00	Accumulate	
Bilfinger Berger	Faust	83.00	Buy		MAN	Schuldt	76.00	Buy	
Biopetrol Industries	Schäfer	0.60	Sell	2/3	MAX Automation AG	Schmidt	4.20	Accumulate	2/3/5
Biotest	Possienke	49.00	Buy	2/3	Medion	Faust	13.00	Hold	
BMW	Schuldt	63.00	Accumulate		Merck	Possienke	63.00	Hold	
Carl Zeiss Meditec	Aubéry	16.00	Accumulate		MLP	Häßler	6.00	Accumulate	
Celesio	Possienke	15.00	Buy		Mobotix AG	Pehl	71.00	Buy	2/3
Cenit	Pehl	7.00	Buy	2/3	Morphosys	Aubéry	35.00	Buy	
comdirect	Häßler	8.50	Accumulate		MTU	Pehl	60.00	Buy	2
Commerzbank	Häßler	2.20	Buy		Munich Re	Häßler	100.00	Hold	
Continental	Schuldt	57.00	Hold		Nanogate AG	Demidova	22.00	Buy	2/3/5
DAB Bank	Häßler	3.40	Hold		Pfeiffer Vacuum	Pehl	76.00	Accumulate	
Daimler AG	Schuldt	49.00	Buy		Phoenix Solar	Freudenreich	6.00	Hold	
Daldrup & Soehne	Schäfer	23.00	Accumulate	2/3/5	Porsche	Schuldt	38.00	Reduce	
Demag Cranes	Schmidt	45.50	Hold	2	Postbank	Häßler	20.00	Hold	
Derby Cycle	Faust	28.00	Buy	2/3/4/5	PSI	Schäfer	18.00	Hold	2
Deutsche Bank	Häßler	40.00	Buy		Puma	Faust	220.00	Hold	
Deutsche Biogas	Schäfer	14.00	Buy	2/3/4/5	Rheinmetall	Pehl	45.00	Hold	
Deutsche Boerse	Häßler	48.00	Accumulate		Rhoen-Klinikum	Possienke	19.00	Buy	
Deutsche EuroShop	Rotenbacher	27.50	Hold		RWE	Schäfer	38.00	Hold	
Deutsche Forfait	Häßler	5.50	Buy	2/3	RIB Software	Rotenbacher	8.50	Buy	2/3/4
Deutsche Post	Rotenbacher	15.00	Buy		SAF-HOLLAND	Schuldt	5.60	Buy	7
Deutsche Telekom	Pehl	11.00	Accumulate		Salzgitter	Freudenreich	53.00	Accumulate	
DNICK Holding plc	Freudenreich	13.00	Buy	2/3	Schuler AG	Schuldt	11.60	Buy	2/3
Douglas Holding	Faust	35.00	Buy		Seven Principles AG	Pehl	11.00	Buy	2/3/5
Drägerwerk	Aubéry	80.00	Hold		Singulus Technologies	Freudenreich	3.20	Hold	4/5
E.ON	Schäfer	20.00	Accumulate		SKW Stahl	Possienke	23.00	Buy	
EiringKlinger	Schuldt	21.00	Accumulate		SMA Solar Technology	Freudenreich	50.00	Hold	
Epigenomics AG	Aubéry	13.00	Buy	2/3	SMT SCHARF AG	Schmidt	24.00	Buy	2/3
Euromicron AG	Pehl	31.50	Buy	2/3/5	Solar-Fabrik	Freudenreich	3.60	Buy	2/3
Fielmann	Possienke	75.00	Hold		SolarWorld	Freudenreich	4.10	Hold	
Fraport	Rotenbacher	53.00	Accumulate		Solutronic	Freudenreich	Under review	Not rated	2/3/4/5
Freenet	Pehl	11.00	Buy	2	Stada	Possienke	20.00	Hold	
Fresenius	Aubéry	76.00	Hold		SuessMicroTec	Pehl	10.50	Buy	2/3/5
Fresenius Medical Care	Aubéry	56.00	Accumulate		Sunways	Freudenreich	2.10	Hold	2/3/5
Fuchs Petrolub	Demidova	38.00	Hold		Symrise AG	Demidova	21.00	Accumulate	
GEA Group	Schmidt	26.00	Buy		ThyssenKrupp	Freudenreich	32.00	Hold	
Gerresheimer AG	Aubéry	36.00	Buy		Tognum	Schmidt	26.00	Hold	2
Gesco	Schmidt	75.00	Buy	2/3	TUI	Rotenbacher	5.00	Hold	
GFT Technologies	Schuldt	3.10	Buy	2/3	United Internet	Pehl	14.00	Accumulate	
Gildemeister	Schmidt	16.00	Buy		VBH Holding	Faust	4.00	Hold	2/3
Grenke Leasing AG	Häßler	40.00	Hold		VIB Vermoegen	Rotenbacher	11.00	Buy	
Hannover Re	Häßler	36.00	Hold		Volkswagen	Schuldt	145.00	Accumulate	
Heidelberger Druck	Schmidt	1.05	Sell		Vossloh	Schmidt	60.00	Sell	
Henkel	Demidova	46.00	Hold		Washtec	Schuldt	15.00	Buy	
HHLA	Rotenbacher	27.00	Buy		Wacker Chemie	Freudenreich	82.00	Hold	
Hochtief	Faust	70.00	Buy		Willex	Aubery	7.00	Buy	2/3/5
Hornbach Holding	Possienke	63.00	Buy		Wincor Nixdorf	Pehl	39.00	Hold	2
Hugo Boss	Faust	75.00	Hold						
HYPOPORT AG	Häßler	13.00	Buy						
i.FAO AG	Rotenbacher	15.00	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 Bank uses for valuation purposes primarily DCF-Valuations and Sum-Of-The-Parts-Valuations as well as peer group comparisons.

Share prices

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Sources

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Recommendation history for GFT TECHNOLOGIES

Date	Recommendation	Target price	Price at change date
16-Nov-11	Buy	3.10	2.70
18-Aug-11	Buy	4.60	3.05
16-May-11	Buy	5.10	4.25
03-Mar-11	Buy	5.30	4.29
11-Nov-10	Buy	5.80	3.82
12-Aug-10	Buy	4.70	3.36
17-May-10	Buy	4.20	3.20
10-May-10	Buy	4.10	3.05
11-Nov-09	Buy	3.30	2.63
14-Aug-09	Buy	2.80	2.06

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

This chart shows Equinet Bank continuing coverage of this stock; the current analyst may or may not have covered it over the entire period. Current analyst: Tim Schuld, 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**.

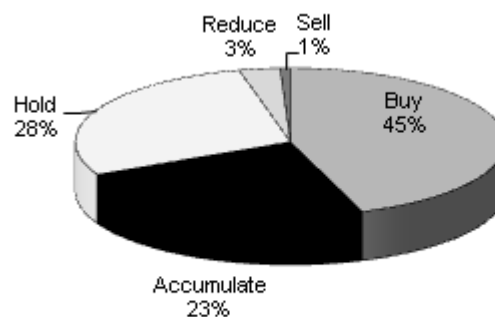
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Furthermore, in specific cases and for a limited period of time, the analysts are allowed to rate the stocks as **Rating Suspended (RS)** or **Not Rated (NR)**, as explained below.

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
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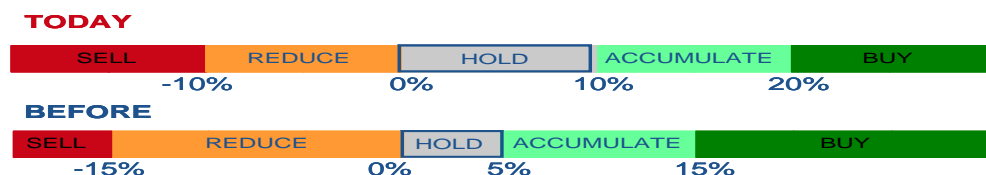


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Since **4 August 2008**, the ESN Rec. System has been amended as follow.

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



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