

Q1

Fiscal 2020/2021
Report on the 1st Quarter
1 October until 31 December 2020

The first quarter at glance

INCOME STATEMENT, CASH FLOW STATEMENT, BALANCE SHEET, SHARE, EMPLOYEES

TABLE 01

IFRS	01/10/20- 31/12/20	Changes in %	01/10/19- 31/12/19
Income statement			
Total revenues (EUR million)	201.741	-23.4	263.321
EBIT (EUR million)	4.525	-68.3	14.288
Profit from ordinary activities (EUR million)	3.097	-76.1	12.962
Post-tax earnings (EUR million)	0.803	-90.8	8.711
Cash flow statement			
Cash flow from operating activities (EUR million)	60.706	3.8	58.506
Cash flow from investing activities (EUR million)	-17.502	65.1	-10.602
Free cash flow (EUR million)	43.204	-9.8	47.904
Capital spending (EUR million)	17.668	65.1	10.699
Balance sheet			
Equity (EUR million)	403.520	-5.1	425.303
Equity ratio (%)	45.3%	-1.5	46.0 %
Total assets (EUR million)	890.571	-3.6	923.693
Share			
Earnings per share (EUR)	0.08	-90.7	0.86
Share price on 31 December (EUR) ¹	38.85	-31.8	57.00
Share price, high (EUR) ²	41.15	-27.8	57.00
Share price, low (EUR) ²	29.20	-26.3	39.60
Shares outstanding on 31 December (number)	10,143.240	-	10,143.240
Market capitalisation on 31 December (EUR million)	394.1	-31.8	578.2
Employees			
Number of employees at Bertrandt Group on 31 December	12.039	-10.67	13.477

¹Closing price in Xetra trading.²In Xetra trading.

Overview

The coronavirus pandemic and its consequences continue to affect the lives of people and disrupt economies all around the world. At the beginning of the first quarter of Bertrandt's current fiscal year, infection rates were under control and there were increasing hopes of a successful vaccine rollout and fewer government restrictions. However, in the course of the first three months the second wave of the pandemic began to build and countries, industries and companies were facing increasing challenges again. At the level of buyers and end-customers of our customer industries this resulted in a persistent high degree of uncertainty and overall market volatility.

Our highest priority also in the first quarter of the current fiscal year was to offer the best possible protection to our employees while maintaining operational capacity and safeguarding liquidity. The wide availability of mobile workplace solutions together with high-performance IT infrastructure and high digital security standards were key success factors in the overall challenging environment. We also continued with our cost saving measures and our consistent efforts in this area proved successful.

The ongoing challenging economic environment significantly affected Bertrandt's business performance also in the first quarter of the 2020/2021 fiscal year. Against this background, the Company's key performance indicators developed as follows:

- Total revenues in the first three months of fiscal 2020/2021 declined by 23% year on year to EUR 201.741 million (previous year EUR 263.321 million).
- The EBIT in the first quarter amounted to EUR 4.525 million (previous year EUR 14.288 million), which is equal to a margin of 2.2% (previous year 5.4%).
- Cash flow from operating activities in the first quarter was EUR 60.706 million, after EUR 58.506 million in the previous year
- The workforce as at the end of the first quarter was 12,039 people (previous year 13,477).

The impacts of the pandemic are reflected in the results for the first quarter of fiscal 2020/2021. Bertrandt responded to the negative effects on revenues by maintaining a strict cost and expenditure management. Investment activities were restricted to projects with high strategic relevance which were already in progress. A major portion of the funds invested were therefore directed to the construction of the Bertrandt Powertrain Solution Center in the South of Germany. As an expert organisation pooling our automotive technological competences, we provide the full range of our services to all our customers. These measures together with a solid capital structure and liquidity situation put us in a good position to emerge from the crisis stronger.



BERTRANDT SETS COURSE FOR THE FUTURE

We have set course for the future by aiming to provide all our “services from a single source”. We will achieve this by making three fundamental changes. Firstly: We are bundling our technological competences in the automotive field in divisions with specialised units. Secondly: We are building on the multi-site and international deployment of specialist expertise. Thirdly: We are creating a single point of contact for our customers by means of key account management, which allows customers to access our entire range of services easily and efficiently. This will sharpen Bertrandt’s profile in the Digital Engineering, Physical Engineering and Electric/Electronics segments.

Report on the 1st Quarter

06	Group Management Report
14	Interim Consolidated Financial Statements
21	Condensed Consolidated Notes
25	Quarterly Survey
26	Financial Calendar
26	Roadshows and Conferences
26	Credits



Group Management Report

THE GROUP – GENERAL INFORMATION

Business model and strategy

As one of Europe's leading engineering partners, Bertrandt has been devising specific and tailored solutions with customers at 52 locations in Europe, Asia and the United States for over 45 years now. Our services for the automotive and aerospace industries include all process steps in the project phases conceptual design, CAD, development, design modelling, tool production, vehicle construction and production planning right through to start of production and production support. In addition, the individual development steps are validated by simulation, prototype building and testing. At our technology centres, we implement collaborative projects of different sizes. The technology centres provide dedicated design studios, electronics labs as well as testing facilities. Our customer base comprises nearly all European manufacturers as well as a large number of system suppliers. We also provide technological services outside the mobility industry in such forward-looking sectors as energy, medical technology, electrical engineering as well as machinery and plant engineering throughout Germany. Consistency, reliability and investment in infrastructure and technical equipment contribute throughout to growing customer relationships. These are key success factors for Bertrandt.

Foreign operations

With our 16 non-domestic branches in Europe, the United States and Asia, our strategy is to ensure the sharpest possible focus on the customer by diversifying our locations on a project-specific basis. In close organisational interaction with our German branches, we are able to offer our customers a complete range of services and thereby to devise solutions rapidly and efficiently at a global level.

52

locations worldwide belong to the Bertrandt Group.

REPORT ON ECONOMIC POSITION

Economic development

Uncertainty about the further development of the challenging economic environment that affects Germany and the world as a whole due to the Covid-19 pandemic persisted until the end of 2020. According to the German Federal Statistical Office, German GDP was lower by 5.0% year on year in 2020. This means that after a period of 10 years of constant growth, the German economy entered a deep recession in the pandemic year 2020. The German Council of Economic Experts expects that, in view of renewed restrictions, economic recovery in the countries affected will only speed up when the second wave of the COVID-19 pandemic slows down. According to the International Monetary Fund, in the year 2020 GDP shrank by -7.2% in the euro zone, by -3.4% in the USA and by -3.5% globally.

Germany and also other economies had to revise their economic forecasts, which had been very positive at first. For example, in its most recent analysis the German Federal Ministry for Economic Affairs and Energy no longer expects economic growth of 4.3% but only a plus of 3.0%. The German Institute for Economic Research (DIW) adds that the German economy faces a long and stony path to recovery. The same trend is anticipated for the eurozone and the UK.

Sector trends

According to the German Association of the Automotive Industry (VDA), the coronavirus pandemic had a very negative impact on international markets and caused the global automotive market to collapse. The development of this sector, especially in Europe and Germany is unprecedented and has triggered the worst crisis in decades. The VDA states that in the full year 2020 the European passenger car market declined by -24% to just under

12.0 million new registrations, the US market fell by -15% to just under 14.5 million registrations and the Chinese market declined by -6% to 19.8 million registrations. In Germany new car registrations were down by -19% in the full year 2020. Moreover, the automotive industry still is in a particularly challenging situation, according to the VDA, as it has to cope with an ongoing transformation process along with the coronavirus pandemic. This fundamental change is mainly influenced by alternative drives and digitalisation. The industry is pushing ahead with the development of electromobility with great commitment as new drive solutions are needed to respond to climate change and growing mobility needs. At the same time, technologies are being advanced to enable automated driving at different levels with a view to further increasing safety and comfort. In this setting, automotive OEMs and suppliers use cost saving measures to optimise their own liquidity and earnings situation. As a result, besides consulting or IT projects, R&D projects were delayed or paused.

According to the German Aerospace Industries Association (BDLI), the German civil aviation industry has also been hit by the coronavirus pandemic. Due to government-mandated travel restrictions the number of flight connections dropped perceptibly and in 2020, Airbus delivered 566 aircraft, which is 34% less than in 2019. Nevertheless, the company reported a backlog of 7,184 aircraft at the end of 2020 (end of 2019: 7,482). The aerospace industry is likely to continue its investments in new products and innovations in the medium-term as it is also working on new emissions reduction technologies.

The key industries in which Bertrandt operates apart from the automotive and aerospace sectors are also feeling the impact of the coronavirus pandemic according to the German Engineering Association (VDMA). Four out of five mechanical engineering companies reported declining revenues in the financial year 2020. And according to the German Hightech Industry Association SPECTARIS, its members in the optics and photonics industries and the analysis technology and medical engineering sectors have been hit harder than expected by the coronavirus pandemic.

BUSINESS PERFORMANCE

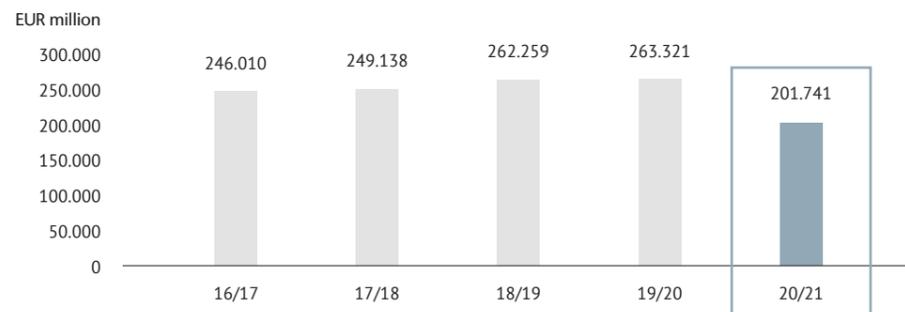
Development of the first quarter of fiscal 2020/2021

When Bertrandt started into the fiscal year 2020/2021, infection rates were under control and there were increasing hopes of a successful vaccine rollout and rather limited government restrictions. In the further course of the quarter, however, a 'light' lockdown was imposed in November 2020, followed by a second hard shutdown with shop closures, travel restrictions and all the other restrictive measures. At the same time, the transformation process in the automotive industry is progressing: In October 2020, the EU decided on a further tightening of emissions targets by 2030. In addition, there are continuing reports of market newcomers entering the automotive market and this means increased pressure for innovation for well-established OEMs.

As a result, the underlying economic conditions in the first quarter of fiscal 2020/2021 were the same as in the preceding quarters. The continuing market volatility and uncertainty about the development of the pandemic cause delays and interruptions in projects and development contracts in our customer industries. This adversely affects the business of engineering service providers. We respond to the pressure on prices in some disciplines of our range of services by adopting strategic measures and continuing our cost optimisation programme started in fiscal 2019/2020. This enables the short-term management of temporary underutilisation of capacity while at the same time ensuring medium-term cost savings. The pandemic committee continues to coordinate all actions related to the pandemic. By offering the use of mobile work for some 7,000 people, we both comply with legal requirements regarding the restrictions on individual mobility and ensure that our operational capacity is maintained.

TOTAL REVENUES (1ST QUARTER)

CHART 02



Total revenues declined to EUR 201.741 million.

201.741

EUR million in total revenues were generated by the Bertrandt Group in the first quarter of fiscal 2020/2021.

Bertrandt continues to be managed on the basis of the same three segments. The new divisional structure for the automotive units in Germany is an important element in our segment structure and gives us a sharper profile within the existing Digital Engineering, Physical Engineering and Electrical Systems/Electronics segments. The pooling of technological competences in the German automotive units and the corresponding clear allocation of skills that were formerly allocated across several fields of expertise results in adjustments between the existing reporting segments. The effect on prior-year figures is shown in Bertrandt's segment reporting in the Notes.

Total revenues

In the economic environment described above the Company generated total revenues in the reporting period of EUR 201.741 million (previous year EUR 263.321 million), including capitalised internally generated assets of EUR 0.638 million (previous year EUR 0.334 million).

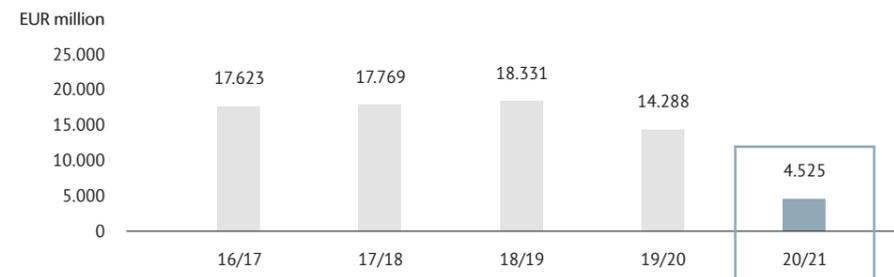
→ CHART 02

Key expenditure figures

Key expenditure figures in the first three months of fiscal 2020/2021 were also affected on the one hand by the coronavirus pandemic and our countermeasures on the other. Project-related cost of materials fell to EUR -16.090 million as a result of fewer procurements from external service suppliers (previous year EUR -25.245 million). Personnel expenses were EUR -152.984 million and thus also below the previous year's level (EUR -190.462 million). The decrease in the workforce from 13,477 (31 December 2019) to 12,039 people as at the end of the reporting period reflects the structural adjustments to the capacity demands in the market. Personnel expenses also include effects from various flexibility instruments, such as the reduction of hours accumulated on flexitime accounts, using up of paid holidays and short-time working. Bertrandt's staff cost ratio was 75.8% in the first quarter of fiscal 2020/2021 and thus higher than the previous year's ratio of 72.3% because the pausing of projects had a negative effect on capacity utilisation and revenue generation. Depreciation/amortisation expense slightly increased from 12.841 million in the previous year to EUR 14.225 million as at the end of the reporting period, as a result of investing activities in previous years. Other operating expenses were EUR -16.741 million as at the end of the first quarter, which is equivalent to a EUR 5.749 million decline year on year and reflects the successful implementation of short-term cost saving measures. Other operating income was EUR 2.824 million (previous year EUR 2.005 million) and include, amongst other items, gains from currency translation.

EBIT (1ST QUARTER)

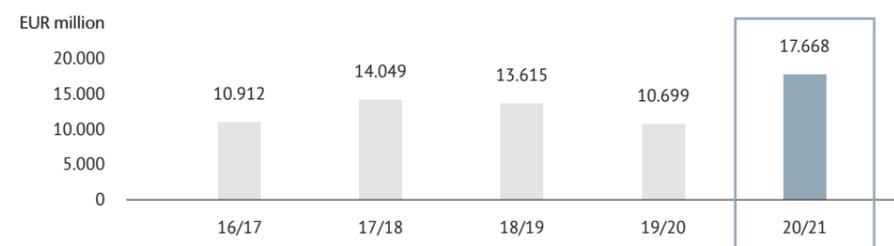
CHART 03



The Group's EBIT in the first quarter of the current fiscal year was EUR 4.525 million.

CAPITAL SPENDING (1ST QUARTER)

CHART 04



Capital spendings amounted to EUR 17.668 million.

EBIT

The Bertrandt Group's EBIT in the first quarter of fiscal 2020/2021 was EUR 4.525 million. Compared to the previous year (EUR 14.288 million), this is a decline that reflects both the impact of the pandemic on our business and the countermeasures implemented under our cost optimisation programme. Net finance income in the reporting period came to EUR -1.428 million, which is close to the previous year's level (EUR -1.326 million). Profit from ordinary activities in the reporting period was EUR 3.097 million (previous year EUR 12.962 million). The tax rate for the reporting period was 68.8% (previous year 28.5%). It was influenced by the recognition of loss carry-forwards at the level of foreign subsidiaries and also by the uncertainty regarding future business performance. Thus, the Company generated post-tax earnings of EUR 0.803 million (previous year EUR 8.711 million).

→ CHART 03

Financial and assets position

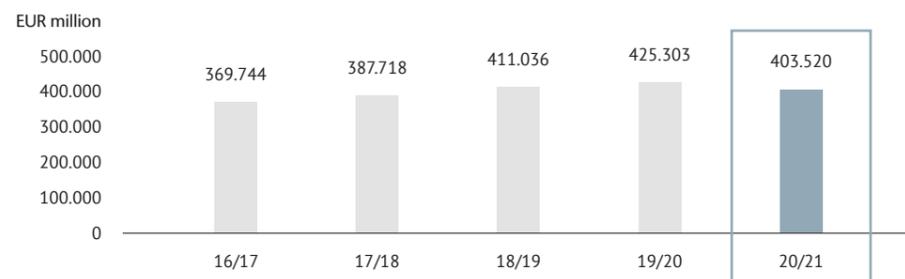
Total assets decreased to EUR 890.571 million as at 31 December 2020 (EUR 945.459 million as at 30 September 2020), which was mainly due to the timely repayment from our own resources of a tranche of the bonded loan.

Non-current assets increased to EUR 471.115 million (EUR 464.797 million as at 30 September 2020), mainly as a result of our investment in strategic future-oriented projects part of which are already in progress. Current assets were EUR 419.456 million (EUR 480.662 million as at 30 September 2020). While contract assets declined to EUR 60.511 million (EUR 90.493 million as at 30 September 2020) and trade receivables decreased to EUR 140.002 million (EUR 175.471 million as at 30 September 2020), cash and cash equivalents increased to EUR 190.656 million compared to EUR 187.233 million as at the end of the previous fiscal year.

→ CHART 04

EQUITY (ON 31 DECEMBER)

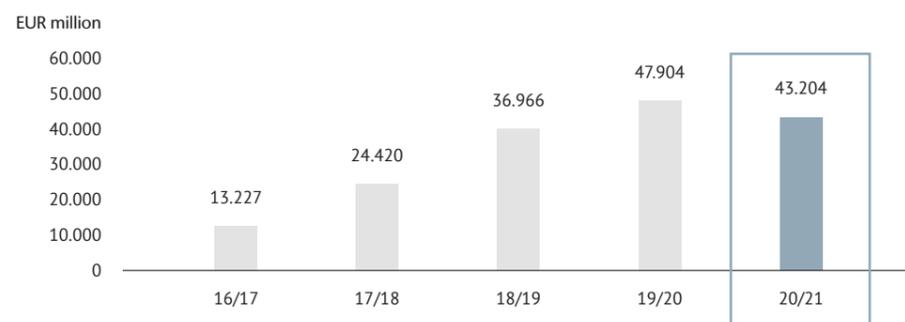
CHART 05



The equity ratio was 45,3% as at the balance sheet date.

FREE CASHFLOW (1ST QUARTER)

CHART 06



As at the end of the first quarter, free cash flow was EUR 43.204 million.

Current liabilities were EUR 150.469 million (EUR 197.430 million as at 30 September 2020). The fall in current liabilities essentially results from the timely repayment of a tranche of the bonded loan of EUR 30.000 million. Reduced provisions for personnel expenses were another influencing factor. Non-current liabilities decreased to EUR 336.582 million (EUR 344.598 million as at 30 September 2020) as a result of the repayment of lease liabilities and reduced deferred tax effects. Equity as at the end of the first three months of fiscal 2020/2021 stands at EUR 403.520 million and is thus broadly the same as in the comparative period (EUR 403.431 million as at 30 September 2020). As a result of the overall decrease in total assets, the equity ratio improved and was 45.3% compared to 42.7% as at 30 September 2020.

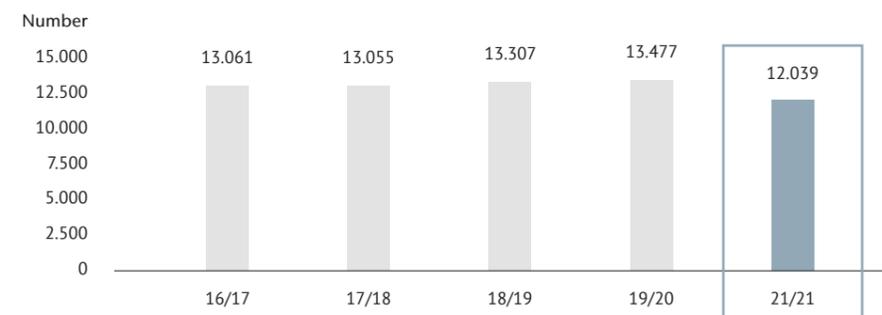
→ CHART 05

Cash flow from operating activities in the first three months of the fiscal year 2020/2021 was EUR 60.706 million (previous year EUR 58.506 million). As in the comparative period, the optimisation of working capital had a clearly positive effect here. There was a net cash outflow from investing activities of EUR -17.502 million (previous year EUR -10.602 million). The increase is due to scheduled payments made for strategic investment projects in progress, such as testing facilities for power-train systems of battery or combustion engine powered vehicles. This resulted in free cash flow of EUR 43.204 million as at the end of the first three months (previous year EUR -47.904 million).

→ CHART 06

EMPLOYEES (ON 31 DECEMBER)

CHART 07



Year on year, the workforce decreased by 1.438 people.

As at the balance sheet date,

12,039

employees were working at Bertrandt.

Depending on the turn of events, the above parameters may result in opportunities or risks for the Bertrandt Group in the current fiscal year. Overall, the high level of uncertainty regarding the underlying economic conditions and industry-specific situation persisted into the first quarter of the 2019/2020 fiscal year. Macroeconomic forecasts for 2021 were partly revised downward compared to forecasts issued in the autumn 2020. More details are provided in the report on economic position and forecast sections.

Since the autumn 2020, infection rates have been rising again and the new second lockdown affects global trade and logistics chains along with the entire real economy. This has resulted in great uncertainty among the end-customers of our customer industries and a generally volatile market environment. Moreover, there is a potential risk to the health of our employees. The impacts of the new official measures imposed to curb the virus and the resulting reduction or discontinuation of the economic activity of a large number of customer groups could increase the risk of delays in the launch of new products and/or passenger car models. This also means a higher risk of adverse effects on the business of engineering service providers. Overall, it is difficult to make reliable forecasts or predict how this will in fact impact the contracts awarded by OEMs.

Human resources

As at 31 December 2020, 12,039 people were employed by the Group. The number of employees reflects the market needs in the ongoing challenging economic environment. Compared to the end of fiscal 2019/2020 (12,335 employees), the workforce decreased by 296 people. The latest information on human resources management can be found in the "Careers" section of Bertrandt's website at www.bertrandt.com.

→ CHART 07

Risk report

As an engineering service provider operating on an international scale, Bertrandt is exposed to a wide variety of risks. The relevant influencing factors were comprehensively described in the fiscal 2019/2020 Annual Report. Above all, the further development of the COVID-19 pandemic and the ongoing transformation process in the automotive sector will continue to shape the 2020/2021 fiscal year. The ultimate outcomes of these developments cannot be wholly predicted at the present juncture.

Bertrandt's pandemic committee coordinates all recommendations and actions related to the pandemic. The committee works across disciplines and is chaired by a member of the Management Board. The members have key functions in the Group and the committee directly reports to the Management Board. Comprehensive and up-to-date information regarding the protection of our employees was communicated and published on our intranet in a timely manner. Thanks to the Company's high-performance IT infrastructure and high digital security standards, 7,000 mobile workstations are deployed. This enables the Company to comply with statutory provisions and provide its employees optimum protection while at the same time maintaining operational capacity to the benefit of the Company's customers. Bertrandt is certified to the TISAX standard. This means that the Group meets the high requirements for information security in the automotive industry. The pandemic committee continuously evaluates changes regarding the spread of the virus and the responses by public institutions (tightening or easing of lockdown restrictions) to be able to recommend Group decisions and reassess the risk situation.

The risks referred to in the Annual Report 2019/2020 along with the underlying economic conditions and the impact of the coronavirus have adversely affected total revenues and earnings in the period under review and may also have a negative effect on future business performance, despite the countermeasures implemented by the Group.

Our broad strategic alignment, the high demand for innovative solutions catering to the automotive megatrends of digitalisation, autonomous driving, connectivity and electrification, and our solid financial base will continue to provide a stable foundation for our future business growth.

Potentials

The ongoing technology trends of digitalisation, autonomous driving, connectivity and e-mobility result in a great breadth and depth of topics for Bertrandt. New business fields and market shares are emerging, putting us to test both as an all-rounder and a specialist. As a solutions-focused engineering business the Group is geared to market and customer requirements and consequently also invests in infrastructure and the competences of its employees. With all these developments, new topics, services and cooperation opportunities are also emerging alongside established fields of business. We are increasingly exploiting these to develop the best solutions for our customers and support them as a technology partner. Our objective is to manage our business

sustainably, to position ourselves successfully on the market and to further build a leading position with a broad and integrated range of services. We consciously serve a rather diverse customer base. Bertrandt assumes the role of an expert consultant to the automotive and aerospace industries while embracing the development of technological future trends with a can-do attitude. Moreover, there are promising opportunities for Bertrandt to establish a market position and to bring its expertise to bear in sectors beyond the mobility industry, such as the energy and electrical engineering and medical technology industries or machinery and plant engineering industries. We are pooling our technological competences in the German automotive units to enable complex multi-site projects and allow our customers to tap into all of our Group's expertise and competences. Each customer can rely on close support from a dedicated sales organisation. Thus, we can take on board customer wishes immediately and implement them in projects involving our expertise from the entire Group.

Forecast and outlook

In their autumn report for 2020, experts from leading German economic research institutes predict a generally slower economic recovery for 2021. According to the experts, there will be a 4.8% increase in global GDP in 2021. In 2022, global GDP is expected to grow by 3.1%. For Germany, the experts project a more gradual recovery than expected in the autumn of 2020. The ifo Institute, for example, stated in the headline to its December 2020 forecast that the economic recovery in Germany had stalled. The institute, which had predicted a 5.1% growth rate for 2021 in September 2020, adjusted its expectations downward to a mere 4.2%. The German Federal Government's Annual Economic Report assumes in its analysis of January 2021 that growth will be even smaller at only 3.0% in 2021, which is close to the forecast (+3.5%) published by the International Monetary Fund (IMF) in January 2021. According to the IMF, GDP will grow by 5.1% in the USA in 2021, and GDP in China will rise by 8.1% in the same year.

3.0

percent is the growth rate expected by the Federal Government for German GDP in 2021.

According to the ifo Institute, the business climate index fell to 90.1 points in January 2021 from 92.2 points in December 2020 (seasonally adjusted). Assessments of the current situation and also the expectations for the next few months were more pessimistic. The second coronavirus wave and resulting government-mandated restrictions have interrupted economic recovery in Germany.

According to the VDA's expectations, the global passenger car market will, after its collapse by 15% in 2020, rebound with 9% growth in 2021 to 73.9 million newly registered cars. With the exception of China, vehicle sales in the respective markets will be slow in approaching their pre-crisis levels. In Europe the VDA expects a plus of 12% in 2021, equal to an increase to 13.4 million passenger cars (Germany: +8% to 3.15 million vehicles). Sales in the USA are likely to grow by 9% to 15.8 million light vehicles in 2021. Heading for 21.4 million units (+8%), the Chinese passenger car market will exceed its pre-coronavirus levels.

On the development side, the automobile itself is in the midst of a historic transformation. Digital connectivity and globalisation are continuously driving the global innovation and technology race. The need for mobility is growing on all continents and is manifested in demand for sustainable and environmentally-friendly vehicle concepts. As a result, Bertrandt expects that the trend towards contracting out engineering services in the automotive industry - a mainstay of Bertrandt's business performance - will continue after the recovery from the coronavirus pandemic.

The crisis that hit the civil aviation industry in 2020 was the worst since 1945, says the German Aerospace Industries Association (BDLI). According to the BDLI, both the severity and the expected duration of this situation are having dramatic effects. The third joint study conducted by the BDLI and consulting firm h&z Unternehmensberatung AG in December 2020 shows that while the industry is still severely affected by the crisis

there are nevertheless good long-term prospects for the civil aviation sector. This medium-term outlook is confirmed by the high order backlog of the major aircraft manufacturers.

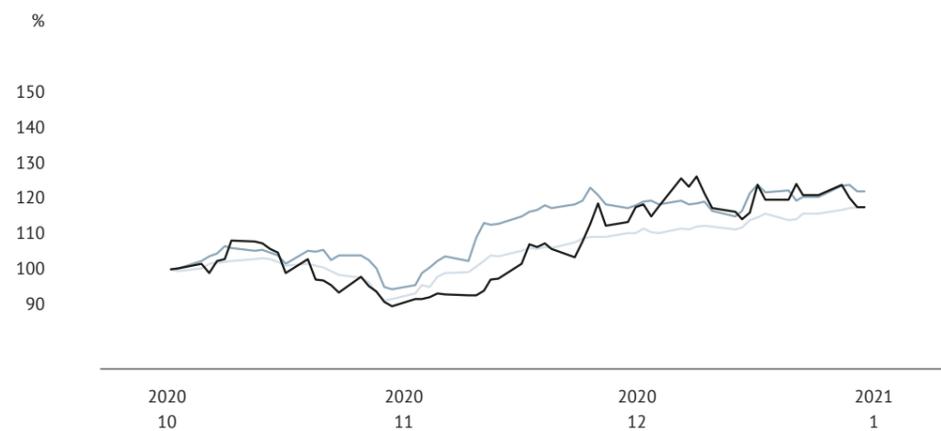
In the mechanical engineering industry, sentiment also remains subdued. However, the VDMA says that the order books have gradually improved in recent months. The share of companies reporting a severe downturn in orders is currently 14%; 39% describe the decline as noticeable. Overall, enterprises take a more optimistic view regarding the improvement of manufacturing order books in the next three months. And 23% of the companies expect the positive development on the demand side to continue (September 2020: 20%).

The Power Engineering division of the German Electrical and Electronic Manufacturers Association (ZVEI) reported that the electrical and electronic industry was also hit hard by the crisis year 2020. Production shrank by 7% compared to 2019 and sales declined by 6%. For 2021, the ZVEI expects 5% growth in production, which would make up for around two thirds of last year's losses. These forecasts are subject to a high level of uncertainty, however, including the question of the duration of the lockdown and whether restrictions may be tightened again. According to ZVEI President Gunther Kegel, the industry owes its relatively strong position to the increasing trends towards electrification and digitalisation.

Apart from the further course of the coronavirus pandemic, the main factors influencing Bertrandt's business model remain intact from the point of view of the Company and offer potentials for a successful business performance in the medium term. According to forecasts by economic research institutes, the outlook for the general economic environment for 2021 and beyond is positive - always subject to the risks entailed in the further course of the pandemic. External experts also deem it probable that there will be a further increase in model diversity of electrified vehicles, that technological progress will continue and that external sourcing of engineering services will remain stable. In the light of the current overall situation resulting from the coronavirus pandemic and the persistent uncertainty affecting the macro-economic environment, it is still extremely difficult to produce accurate projections regarding future business performance in the Bertrandt's Group's fiscal year 2020/2021, as has been comprehensively described in the 2019/2020 Annual Report.

SHARE PRICE IN COMPARISON (1ST QUARTER)

CHART 08



Just as German stock market indices in general, Bertrandt had a volatile share price in the first quarter.

— Bertrandt AG — Prime Automobile Performance-Index — SDAX

Our shares

On 1 October 2020, the DAX closed at 12,812 points and skyrocketed in the following months as hopes grew for the pandemic to subside and for an economic recovery. On 31 December 2020, the DAX closed near its all-time high of 13,751 points. The SDAX started the period at 12,545 points, closing at its high for the period of 14,742 points at the end of the period. The Prime Automobile Performance Index started the reporting period at 1,241 points and closed at 1,513 points.

→ [CHART 08](#)

Bertrandt's shares started the first quarter of the 2020/2021 fiscal year on 1 October 2020 by opening in Xetra trading at EUR 32.60. The highest share price in the reporting period was EUR 41.15 on 9 December 2020. The share price reached its low for the period on 30 October 2020 when it closed at EUR 29.20. On 31 December 2020, the shares closed at a price of EUR 38.85. As at the date when this report was prepared, the share price was EUR 53.30.

38.85

EUR was the closing price of our shares on the last trading day on the Xetra Exchange.

The average daily trading volume in the first quarter of the 2020/2021 fiscal year was 8,305 shares (10,011 shares in the same period in the previous year).

Analysts' ratings of our shares and our Company can be found at www.bertrandt.com under Investor Relations.

- > Group Management Report
- > Interim Consolidated Financial Statements

Interim Consolidated Financial Statements

CONSOLIDATED INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

TABLE 09

EUR million	2020/2021	2019/2020
01/10 until 31/12		
I. Income statement		
Revenues	201.103	262.987
Other internally generated assets	0.638	0.334
Total revenues	201.741	263.321
Other operating income	2.824	2.005
Raw materials and consumables used	-16.090	-25.245
Personnel expenses	-152.984	-190.462
Depreciation	-14.225	-12.841
Other operating expenses	-16.741	-22.490
EBIT	4.525	14.288
Share of profit in associates	0.120	0.117
Interest income	0.023	0.027
Financial expenses	-1.577	-1.448
Other financial result	0.006	-0.022
Net finance income	-1.428	-1.326
Profit from ordinary activities	3.097	12.962
Other taxes	-0.526	-0.785
Earnings before tax	2.571	12.177
Income taxes	-1.768	-3.466
Post-tax earnings	0.803	8.711
attributable to shareholders of Bertrandt AG	0.803	8.711
Number of shares (million) – diluted/basic, average weighting	10.095	10.095
Earnings per share (EUR) – diluted/basic	0.08	0.86
II. Statement of comprehensive income		
Post-tax earnings	0.803	8.711
Exchange rate differences ¹	-0.467	-0.100
Revaluation of pension obligations	-0.351	0
Deferred tax on remeasurement of retirement benefit obligations	0.104	0
Other comprehensive income after taxes	-0.714	-0.100
Total comprehensive income	0.089	8.611
attributable to shareholders of Bertrandt AG	0.089	8.611

¹Components of other comprehensive income which will be reclassified to the income statements of future periods.

CONSOLIDATED BALANCE SHEET

TABLE 10

EUR million	31/12/2020	30/09/2020
Assets		
Intangible assets	14.372	14.566
Property, plant and equipment	419.438	413.056
Investment properties	1.260	1.277
Investments accounted for using the equity method	7.168	7.048
Financial receivables	1.521	1.428
Other financial assets	2.810	2.832
Other assets	9.074	8.724
Deferred taxes	15.472	15.866
Non-current assets	471.115	464.797
Inventories	0.855	0.860
Contract assets	60.511	90.493
Trade receivables	140.002	175.471
Financial receivables	0.359	0.413
Other financial assets	3.851	3.156
Other assets	19.786	19.671
Income tax assets	3.436	3.365
Cash and cash equivalents	190.656	187.233
Current assets	419.456	480.662
Total assets	890.571	945.459
Equity and liabilities		
Issued capital	10.143	10.143
Capital reserves	29.714	29.714
Retained earnings	346.136	346.136
Other reserves	-6.623	-5.909
Consolidated distributable profit	24.150	23.347
Equity	403.520	403.431
Borrowings	233.034	234.913
Other financial liabilities	73.456	76.449
Other liabilities	1.524	1.648
Provisions	13.273	13.002
Deferred taxes	15.295	18.586
Non-current liabilities	336.582	344.598
Borrowings	14.799	45.412
Contract liabilities	3.408	2.137
Trade payables	13.915	12.852
Other financial liabilities	27.110	35.205
Other liabilities	59.364	67.046
Other provisions	20.187	26.546
Tax provisions	11.686	8.232
Current liabilities	150.469	197.430
Total equity and liabilities	890.571	945.459

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

TABLE 11

EUR million	Issued Capital	Capital reserves	Retained earnings	Other reserves		Consolidated distributable profit	Total	
				Currency translation reserve	Revaluation of pension obligations	Total		
Value on 01/10/2020	10.143	29.714	346.136	-2.099	-3.810	-5.909	23.347	403.431
Post-tax earnings							0.803	0.803
Other comprehensive income after taxes				-0.467 ¹	-0.247	-0.714		-0.714
Total comprehensive income				-0.467	-0.247	-0.714	0.803	0.089
Value on 31/12/2020	10.143	29.714	346.136	-2.566	-4.057	-6.623	24.150	403.520
Previous year								
Value on 01/10/2019	10.143	29.714	346.136	-1.290	-3.775	-5.065	35.764	416.692
Post-tax earnings							8.711	8.711
Other comprehensive income after taxes				-0.100 ¹	0	-0.100		-0.100
Total comprehensive income				-0.100	0	-0.100	8.711	8.611
Value on 31/12/2019	10.143	29.714	346.136	-1.390	-3.775	-5.165	44.475	425.303

¹Components of other comprehensive income which will be reclassified to the income statements of future periods.

CONSOLIDATED CASH FLOW STATEMENT

TABLE 12

EUR million	2020/2021	2019/2020
01/10 until 31/12		
1. Post-tax earnings	0.803	8.711
2. Income taxes	1.768	3.466
3. Share of profit in associates	-0.120	-0.117
4. Interest income	-0.023	-0.027
5. Financial expenses	1.577	1.448
6. Other financial result	-0.006	0.022
7. Depreciation of non-current assets	14.225	12.841
8. Increase/decrease in provisions	-6.089	-13.661
9. Other non-cash income/expense	-0.547	-0.224
10. Gain/losses from disposal of non-current assets	0.191	0.078
11. Increase/decrease in inventories, trade receivables as well as other assets not assigned to investing or financing activities	34.278	10.604
12. Increase/decrease in contract assets	29.982	30.681
13. Increase/decrease in trade payables and other liabilities not assigned to investing or financing activities	-13.388	8.636
14. Income tax paid	-1.798	-4.127
15. Income tax received	0.010	0.308
16. Interest paid	-0.190	-0.155
17. Interest received	0.033	0.022
18. Cash flows from operating activities (1.-17.)	60.706	58.506
19. Payments received from disposal of property, plant and equipment	0.166	0.097
20. Payments made for investments in property, plant and equipment	-17.272	-9.111
21. Payments made for investments in intangible assets	-0.396	-1.563
22. Payments made to acquire consolidated entities and other businesses	0	-0.025
23. Cash flows from investing activities (19.-22.)	-17.502	-10.602
24. Financial receivables – payments received	0.088	0.080
25. Financial receivables – payments made	-0.181	-0.037
26. Payments received from borrowings issued	0	22.984
27. Payments made for the repayment of borrowings	-30.329	-0.295
28. Payments made for the repayment of other financial liabilities	-5.480	-3.994
29. Interest paid on borrowings and other financial liabilities	-3.604	-3.355
30. Cash flows from financing activities (24.-29.)	-39.506	15.383
31. Changes in cash and cash equivalents (18.+23.+30.)	3.698	63.287
32. Effect of exchange rate changes on cash and cash equivalents	-0.275	-0.068
33. Cash and cash equivalents at beginning of period	187.233	91.491
34. Cash and cash equivalents at end of period (31.-33.)	190.656	154.710

CONSOLIDATED SEGMENT REPORT

TABLE 13

EUR million	Digital Engineering			
01/10 until 31/12	2020/2021	2019/2020	restated	2019/2020 restated
Revenues	103.013	154.070	-8.008	146.062
Transfer between segments	5.742	8.020	-0.680	7.340
Consolidated revenues	97.271	146.050	-7.328	138.722
Other internally generated assets	0.030	0.049	0	0.049
Consolidated total revenues	97.301	146.099	-7.328	138.771
EBIT	0.595	4.629	0.937	5.566
Physical Engineering				
01/10 until 31/12	2020/2021	2019/2020	restated	2019/2020 restated
Revenues	56.838	60.595	19.293	79.888
Transfer between segments	9.982	3.921	6.101	10.022
Consolidated revenues	46.856	56.674	13.192	69.866
Other internally generated assets	0.597	0.109	0	0.109
Consolidated total revenues	47.453	56.783	13.192	69.975
EBIT	0.007	4.123	0.071	4.194
Elektrical Systems/Electronics				
01/10 until 31/12	2020/2021	2019/2020	restated	2019/2020 restated
Revenues	58.756	64.018	-5.764	58.254
Transfer between segments	1.780	3.755	0.100	3.855
Consolidated revenues	56.976	60.263	-5.864	54.399
Other internally generated assets	0.011	0.176	0	0.176
Consolidated total revenues	56.987	60.439	-5.864	54.575
EBIT	3.923	5.536	-1.008	4.528
Total for all divisions				
01/10 until 31/12	2020/2021	2019/2020	restated	2019/2020 restated
Revenues	218.607	278.683	5.521	284.204
Transfer between segments	17.504	15.696	5.521	21.217
Consolidated revenues	201.103	262.987	0	262.987
Other internally generated assets	0.638	0.334	0	0.334
Consolidated total revenues	201.741	263.321	0	263.321
EBIT	4.525	14.288	0	14.288

SHARES OWNED BY MEMBERS OF THE MANAGEMENT AND SUPERVISORY BOARDS

TABLE 14

Number	Shares	
	Balance at 31/12/2020	Balance at 30/09/2020
Members of the Management and Supervisory Boards owning shares		
Dietmar Bichler (Chairman of the Supervisory Board)	400,000	400,000
Total	400,000	400,000

Options are not disclosed here as there is currently no option programme.

Condensed Consolidated Notes

BASIC INFORMATION

The consolidated financial statements of Bertrandt Aktiengesellschaft, registered at Birkensee 1, 71139 Ehningen, Germany (register number HRB 245259, commercial register of the local court of Stuttgart), for the year ending 30 September 2020 were prepared using the International Financial Reporting Standards (IFRS) effective at the reporting date and as endorsed by the European Union (EU).

In principle, the presented consolidated financial statements as at 31 December 2020 have been prepared based on International Accounting Standard (IAS) 34 Interim Financial Reporting, applying the same reporting methods as in the consolidated financial statements for fiscal 2019/2020. These interim consolidated financial statements comply with the additional requirements of German commercial law pursuant to Section 315e (1) of the German Commercial Code (HGB) (taking into consideration Article 83 (1) sentence 2 of the Introductory Law to the German Commercial Code (EGHGB)). They also comply with all Standards and Interpretations of the International Financial Reporting Interpretations Committee (IFRIC) which are mandatorily effective for the financial year 2020/2021, and with the German Corporate Governance Code.

A detailed description of these methods is published in the Notes to the Consolidated Financial Statements of the Annual Report for fiscal 2019/2020. The Annual Report is also accessible on the internet at www.bertrandt.com.

These interim consolidated financial statements were compiled in euros. Unless stated otherwise, all amounts are shown in millions of euros (EUR million). Where percentage values and figures are given, differences may occur due to rounding.

International Financial Reporting Standards and Interpretations that are subject to mandatory application as of fiscal 2020/2021

The following table sets out the International Financial Reporting Standards and Interpretations that are subject to mandatory application as of fiscal 2020/2021.

TABLE 15

Standard/ Interpretation		Mandatory application ¹	Expected effect
IFRS 3 ²	Amendment to IFRS 3: Business combinations – Clarifications to the definition of a business operation	01/01/2020	none
IFRS 4 ²	Amendment to IFRS 4: Insurance contracts – deferral of IFRS 9	01/01/2020	none
IFRS 7, IFRS 9 and IAS 39	Amendment to IFRS 7, IFRS 9 and IAS 39: Interest rate benchmark reform	01/01/2020	none
IFRS 16 ²	Amendment to IFRS 16: Leases Covid 19-related rent concessions	01/06/2020	Single-case-audit
IAS 1 and IAS 8 ²	Amendment to IAS 1 and IAS 8: Definition of material	01/01/2020	none
Improvements to IFRS	Changes on the conceptual Framework der IFRS-regulations ²	01/01/2020	none

¹Fiscal years beginning on or after the specified date.

²Not yet endorsed by the EU.

International Financial Reporting Standards and Interpretations that have been published but are not yet mandatory

The following standards and interpretations have already been adopted by the International Accounting Standards Board (IASB) and to some degree approved by the EU but they were not yet mandatory in fiscal 2020/2021. Bertrandt will apply them for the accounting period for which they become effective.

Thinking ahead and making it new. Annual Press Conference, Bertrandt Group

Ehningen, December 10th 2020, Michael Lücke and Markus Ruf

VIRTUAL ANNUAL PRESS CONFERENCE

On 10 December 2020, Bertrandt AG's annual press conference was held in a virtual format for the first time. Presenting our new annual report, Management Board members Michael Lücke and Markus Ruf gave the members of the press an insight into the 2019/2020 fiscal year and provided an outlook for the coming months. Attendance was very high and after the event the attendees' feedback on the virtual format was positive throughout.

-  Please mute your microphone!
-  Please have your camera deactivated!

TABLE 16

Standard/ Interpretation		Mandatory application ¹	Expected effect
IFRS 3, IAS 16 and IAS 37 ²	Amendment to IFRS 3, IAS 16 and IAS 37: Annual improvements	01/01/2022	Single-case audit
IFRS 4, IFRS 7, IFRS 9, IFRS 16 and IAS 39 ²	Amendment to IFRS 4, IFRS 7, IFRS 9, IFRS 16 and IAS 39: Interest Rate Benchmark Reform – Phase 2	01/01/2021	none
IFRS 17 ²	Insurance Contracts; including Amendments to IFRS 17	01/01/2023	none
IAS 1 ²	Amendment to IAS 1: Classification of liabilities as current or non-current	01/01/2022	Currently under examination

¹Fiscal years beginning on or after the specified date.

²Not yet endorsed by the EU.

Presentation of interim financial statements and segment reporting

Bertrandt continues to be managed on the basis of the same three segments. The new divisional structure for the automotive business in Germany is an important element in our segment structure and gives us a sharper profile within the existing Digital Engineering, Physical Engineering and Electrical Systems/Electronics segments. The pooling of technological competences and the clear allocation of former mixed fields of expertise results in adjustments between the existing segments in our automotive business. The effect on prior-year figures is shown in Bertrandt's segment reporting.

GROUP OF CONSOLIDATED COMPANIES

The group of consolidated companies includes all operating subsidiaries under the legal and constructive control of Bertrandt AG.

Associates, i.e. entities which are not controlled by Bertrandt but over which the Company has significant influence, and joint ventures, i.e. entities of which Bertrandt has joint control, either directly or indirectly, are accounted for in the consolidated financial statements using the equity method.

The following table shows the entities of the Bertrandt Group:

GROUP OF CONSOLIDATED COMPANIES

TABLE 17

	31/12/2020
Bertrandt AG and consolidated subsidiaries	52
Germany	42
Abroad	10
Associates and joint ventures	17
Germany	17
Abroad	0
Total	69

FOREIGN CURRENCY TRANSLATION

The interim consolidated financial statements of subsidiaries using a functional currency other than the euro are translated according to IAS 21. The subsidiaries carry out their business independently for financial, commercial and organisational purposes. The functional currency is therefore identical to the currency of the country in which they are based.

Accordingly, for the interim financial statements these companies' assets and liabilities were translated at the mean closing rate at the date of the statement of financial position, and income and expenses were translated at the average exchange rate for the period. All resulting exchange differences including differences resulting from the translation of amounts brought forward from the previous year are recognised directly in equity.

Foreign currency transactions are recorded by translating the foreign currency amount into the functional currency amount at the exchange rate prevailing on the date of the transaction. Gains and losses arising from the settlement of such transactions as well as from the translation at the reporting date of monetary assets and liabilities held in foreign currencies are recognised in profit or loss.

The parities of the key currencies relative to one euro were as follows:

FOREIGN CURRENCY TRANSLATION

TABLE 18

Relative to one euro		Average rate on balance sheet date		Average rate Q1	
		31/12/2020	31/12/2019	2020/2021	2019/2020
China	CNY	8.0093	7.8328	7.9105	7.7897
United Kingdom	GBP	0.8996	0.8501	0.9042	0.8601
Romania	RON	4.8683	4.7828	4.8715	4.7667
Turkey	TRY	9.1065	6.6803	9.3993	6.4157
Czech Republic	CZK	26.2420	25.4070	26.6642	25.5772
United States	USD	1.2275	1.1228	1.1931	1.1073

RELATED PARTY DISCLOSURES

On 2 July 2014, Dr. Ing. h.c. F. Porsche AG, Stuttgart, increased its shareholding in Bertrandt AG by nearly four percentage points. After the share purchase, Volkswagen now indirectly holds around 29 percent of voting shares in Bertrandt. As in the past it is not the intention of Volkswagen to exercise influence on the Supervisory Board or the Management Board. From the date of the purchase of the shares, Bertrandt AG will be accounted for as an associate in the consolidated financial statements of the Volkswagen group under the equity method. Accordingly, the Volkswagen group has to be classified as a related party pursuant to IAS 24. All supplier relationships between Bertrandt AG and the Volkswagen group were based on arm's length prices. The revenues arising from transactions with all Volkswagen group companies amounted to EUR 85.711 million in the period under review (previous year EUR 88.201 million). As of the balance sheet date, receivables amounted to EUR 78.861 million (previous year EUR 89.713 million).

FAIR VALUE DISCLOSURES

The principles and methods used for fair value measurement have remained unchanged compared to fiscal 2019/2020.

The fair values of the non-current financial liabilities the fair as of 31 December 2020 were EUR 241.745 (previous year EUR 213.653 million) and the current financial liabilities were EUR 15.538 million (previous year EUR 31.813 million).

The financial assets and financial liabilities at fair value through profit or loss generally comprise derivatives to hedge foreign exchange and interest risks.

The derivatives' fair values are determined with generally accepted methods of financial mathematics, using mid-market pricing. All derivatives with a positive fair value are disclosed as derivative assets, while all derivatives with a negative fair value are disclosed as derivative liabilities.

As at 31 December 2020 the fair value of all balance sheet items valued at their fair value was EUR 0 million (EUR 0 million as at 30 September 2020). In the period under review, no foreign exchange forward contract or interest rate hedging contract was outstanding.

The fair value hierarchy established by IFRS 13 defines three levels of inputs to valuation techniques which depend on the availability of observable market prices in an active market. Level one input is input available for financial instruments that are measured at quoted prices in active markets for identical assets or liabilities. Financial instruments that are measured using Level two inputs are measured on the basis of inputs other than quoted prices included within Level one, which are observable either directly or indirectly. Level three input refers to market data for the measurement of financial instruments that are unobservable. Interest rate derivatives and foreign exchange forward contracts are categorised as Level two, other derivatives as Level three. Non-current financial liabilities are categorised as Level two. As in the previous year, there were no transfers between the three levels of the fair value hierarchy. A sensitivity analysis is performed every year, analysing and evaluating internal and external information and conditions for their probability of occurrence and the resulting financial burdens. As in the previous year, the sensitivity analysis carried out in the first quarter of fiscal 2020/2021 for derivatives measured according to Level three of the fair value hierarchy did not lead to any change in the carrying amount.

MATERIAL EVENTS AFTER THE REPORTING PERIOD

There were no material events after the reporting period of 1 October 2020 to 31 December 2020.

GERMAN CORPORATE GOVERNANCE CODE

The declarations of compliance with the German Corporate Governance Code pursuant to Section 161 of the German Stock Corporation Act (AktG) by the Management and Supervisory Boards of Bertrandt AG are accessible on the internet at www.bertrandt.com.

Quarterly Survey

CONSOLIDATED INCOME STATEMENT

TABLE 19

EUR million	Q1 20/21	Q4 19/20	Q3 19/20	Q2 19/20	Q1 19/20
Revenues	201.103	202.338	205.169	244.697	262.987
Other internally generated assets	0.638	0.535	0.300	0.222	0.334
Total revenues	201.741	202.873	205.469	244.919	263.321
Other operating income	2.824	2.020	2.636	2.110	2.005
Raw materials and consumables used	-16.090	-16.967	-15.948	-18.783	-25.245
Personnel expenses	-152.984	-155.259	-163.179	-187.929	-190.462
Depreciation	-14.225	-14.370	-14.042	-13.103	-12.841
Other operating expenses	-16.741	-22.533	-16.777	-20.264	-22.490
EBIT	4.525	-4.236	-1.841	6.950	14.288
Net finance income	-1.428	-1.333	-1.226	-1.346	-1.326
Profit from ordinary activities	3.097	-5.569	-3.067	5.604	12.962
Other taxes	-0.526	-0.609	-0.792	-0.976	-0.785
Earnings before tax	2.571	-6.178	-3.859	4.628	12.177
Income taxes	-1.768	0.793	1.020	-1.380	-3.466
Post-tax earnings	0.803	-5.385	-2.839	3.248	8.711
– attributable to shareholders of Bertrandt AG	0.803	-5.385	-2.839	3.248	8.711
Number of shares (million) – diluted/basic, average weighting	10.095	10.095	10.095	10.095	10.095
Earnings per share (EUR) – diluted/basic	0.08	-0.53	-0.28	0.32	0.86

Financial Calendar

Report on the 2nd quarter 2020/2021
20 May 2021 → [DATES](#)

16th Capital Market Day
20 May 2021

Report on the 3rd quarter 2020/2021
9 August 2021

Annual report 2020/2021
Annual press and
analysts' conference
9 December 2021

Annual General Meeting
23 February 2022
10:30
Stadthalle Sindelfingen
or virtual

Road- shows and Confer- ences

Credits

Published and edited by
Bertrandt AG
Birkensee 1, 71139 Ehningen
Germany
Telephone +49 7034 656-0
Telefax +49 7034 656-4100
www.bertrandt.com
info@bertrandt.com

HRB 245259
Amtsgericht Stuttgart

Contact
Björn Voss
Head of Investor Relations
Telephone +49 7034 656-4201
Telefax +49 7034 656-4488
bjoern.voss@bertrandt.com

Matthias Bienert
Head of Group Marketing
and Communications
Telephone +49 7034 656-4004
matthias.bienert@bertrandt.com

Design, layout and production
SAHARA Werbeagentur, Stuttgart
www.sahara.de

Male pronouns are used in this text for
the sake of simplicity and legibility.
They are intended to refer to people of
all genders.

- > Financial Calendar
- > Roadshows and Conferences
- > Credits

Legal Notice

This report contains inter alia certain foresighted statements about future developments, which are based on current estimates of management. Such statements are subjected to certain risks and uncertainties. If one of these factors of uncertainty or other imponderables should occur or the underlying accepted statements proved to be incorrect, the actual results could deviate substantially from or implicitly from the expressed results specified in these statements. We have neither the intention nor do we accept the obligation of updating foresighted statements constantly since these proceed exclusively from the circumstances on the day of their publication.

As far as this report refers to statements of third parties, in particular analyst estimations, the organisation neither adopts these, nor are these rated or commented thereby in other ways, nor is the claim laid to completeness in this respect.