



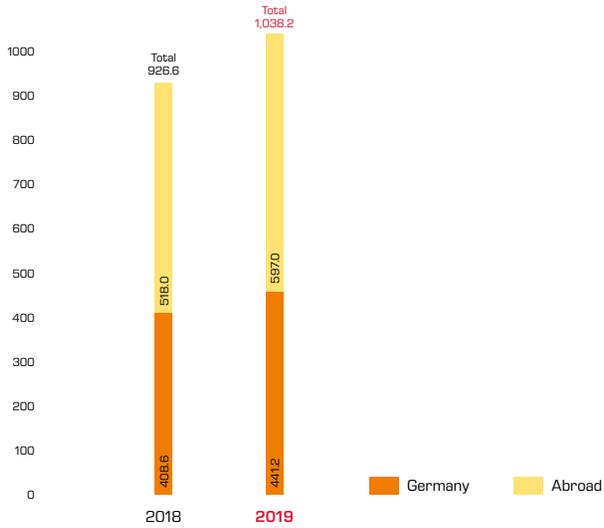
Vi ion &
RESPONSIBILITY

ITELLIGENCE KEY FIGURES

MEUR	IFRS 2019	IFRS 2018	IFRS 2017	IFRS 2016
Total revenues	1,038.2	926.6	872.2	777.9
Revenues by area				
Consulting	453.0	389.1	358.2	331.4
Licenses	67.3	81.6	87.9	79.0
Cloud Subscription	27.3	19.7	14.1	6.5
Managed Services	482.4	431.6	408.5	360.2
Other	8.2	4.6	3.5	0.8
Revenues by segment				
DACH (Germany/Austria/Switzerland)	474.7	444.1	417.9	364.6
Western Europe	162.7	131.7	115.6	108.2
North and Eastern Europe (NEE)	195.1	184.6	172.3	152.7
America	174.7	141.9	145.2	135.7
Asia	23.3	17.4	14.3	12.5
Other	7.7	6.9	6.9	4.2
EBIT in MEUR				
EBIT margin	2.8%	2.2%	3.9%	4.5%
EBITA in MEUR				
EBITA margin	3.7%	3.3%	5.1%	5.4%
EBITDA in MEUR				
EBITDA margin	8.1%	5.9%	7.7%	8.2%
Earnings IFRS				
Earnings per share	0.32	0.35	0.56	0.56
Cashflow per share	0.82	1.11	-0.22	0.11
Return to sales	1.4%	1.4%	2.2%	2.3%
Cashflow in MEUR				
Balance sheet total in MEUR	852.5	671.6	578.0	544.7
Equity in MEUR				
Equity ratio	32.3%	28.6%	30.2%	30.4%
ROE (Return on equity)	7.0%	6.6%	10.7%	11.0%
ROA (Return on assets)	2.5%	2.3%	4.5%	4.4%
ROCE (Return on capital employed)	3.2%	3.2%	6.1%	6.2%
Investments in MEUR				
Investments in MEUR	57.6	57.5	60.7	45.5
Employees as of December 31				
Average	8,642	7,533	6,450	5,276
– Germany	3,378	3,152	2,795	2,653
– Abroad	6,081	4,752	4,188	3,024

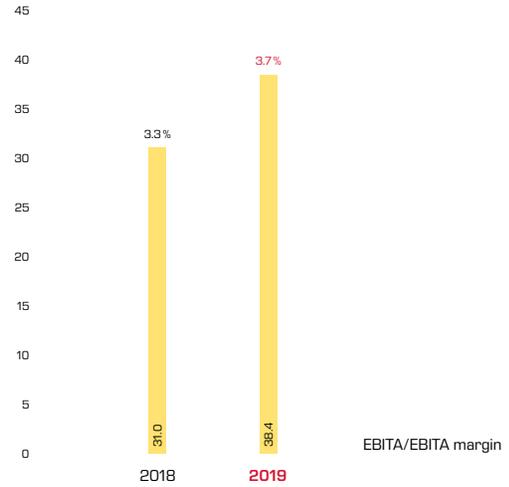
REVENUE DEVELOPMENT

MEUR



GROWTH IN EARNINGS

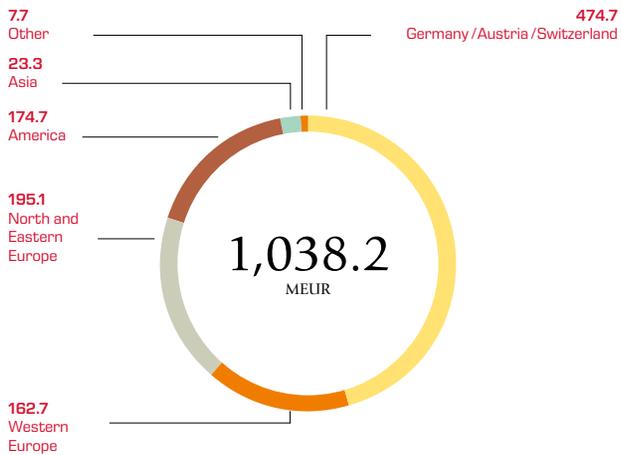
MEUR



REVENUE DEVELOPMENT BY SEGMENT

MEUR

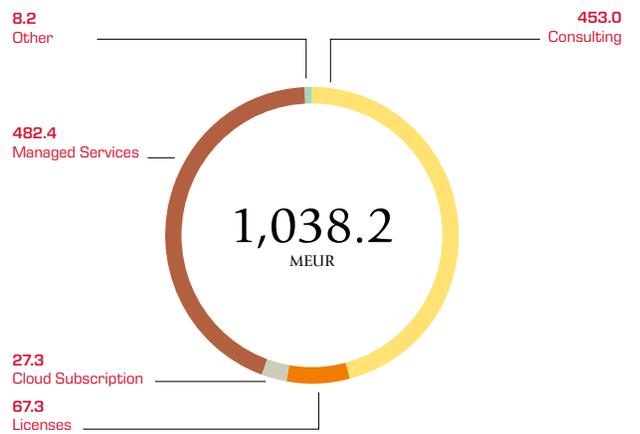
2019



REVENUE DEVELOPMENT BY DIVISION

MEUR

2019



Change	+12.0%
D/A/CH	+6.9%
Western Europe	+23.5%
North and Eastern Europe	+5.7%
America	+23.1%
Asia	+33.9%
Other	+11.6%

Change	+12.0%
Consulting	+16.4%
Licenses	-17.5%
Cloud Subscription	+38.6%
Managed Services	+11.8%
Other	+78.3%



PROJECTS WITH A VISION:

FH Brayil
*Good Deeds
pay off*
26



Child asch
*Improving
Child Welfare
with AI*
32



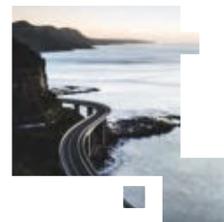
Dasa Censer Batsyen
*Silicon Saxony?
Sustainable Saxony!*
38



Green core
*New Technologies
for the Energy Transition*
42



Trteckchain
*Compromises
pay off*
46



VISION & RESPONSIBILITY

LETTER FROM THE CEO	2
INTERVIEW NORBERT ROTTER & TOSHI FUJIWARA	4
INTRODUCING OUR NEW CFO JÜRGEN PÜRZER	11
ITELLIGENCE GIRL POWER	12
INTERVIEW KOJI MIYAJIMA	20
NTT DATA & ITELLIGENCE	///
TRUST HAS TO BE EARNED	22
PROJECTS WITH A VISION	26

ANNUAL REPORT 2019

REPORT OF THE SUPERVISORY BOARD	52
CORPORATE GOVERNANCE REPORT	55

GROUP FINANCIAL REPORT*

GROUP MANAGEMENT REPORT	60
CONSOLIDATED INCOME STATEMENT	98
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	99
CONSOLIDATED BALANCE SHEET	100
CONSOLIDATED CASHFLOW STATEMENT	102
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	103

*This publication does not take the form required by law.

OTHER INFORMATION

AUDIT RESULT	104
SERVICE & PUBLICATION DETAILS	105

Internationalization, innovation, diversity:

itelligence is changing

DEAR READERS,

We were hit by the coronavirus pandemic just as we were preparing to release this annual report for printing. All of a sudden, we had to organize that around 95% of our employees could work from home. My new Management Board colleague Jürgen Pürzer and I have been keeping informed about the wellbeing of our employees at 89 locations in 26 countries twice a week. As the full weight of the pandemic struck, all of our forecasts for 2020 were rendered obsolete. Although we expect normal business operations to start resuming slowly from the end of April onward, the impact will be felt throughout 2020 and beyond.

Despite this, I am cautiously optimistic about the future – also because we entered the crisis from a position of strength. We have pressed ahead with important changes in recent years, and we reached some major milestones just in time for our 30th anniversary in 2019. I would like to highlight two of these in particular:

- We recorded double-digit growth of 12.0% in 2019 and broke the billion-euro revenue barrier as announced, with revenues for the year amounting to KEUR 1,038,186.
- The participation in FH S.A. in Brazil marked the successful start of our expansion into the Latin American market.

As usual, the following pages contain detailed information on our figures and the targets we have achieved. They also provide some interesting insights into the topics that are motivating us

right now – and the ways in which itelligence is changing. In addition to our internationalization, we are becoming more diverse and more innovative.

One example of this can be seen in the interviews we conducted with female itelligence managers from five different countries (see page 12), which clearly illustrate how itelligence is being shaped by women to an ever greater degree.

ARTIFICIAL INTELLIGENCE, BLOCKCHAIN, GREEN IT

We also use selected examples to highlight the innovations we are currently working to advance, particularly with the help of artificial intelligence and blockchain.

- itelligence is developing a technical solution for the Danish organization Børns Vilkår (Children's Welfare) to reduce waiting times for the child hotline and provide employees with information during calls (see page 32).
- We are working on a concept for a Scandinavian company that will significantly reduce empty runs by trucks thanks to innovative route planning and intelligent data usage (see page 42).
- In Germany, itelligence experts are creating a digital platform for utility companies to optimize the use of green electricity while also supporting charitable organizations (see page 26).

These examples from Scandinavia and Germany serve as an impressive demonstration of how innovation can reduce emissions and drive the transformation to a climate-friendly economy. For itelligence, green IT means more than just energy-efficient data centers and in-house sustainability management.

This annual report also features an article on the partnership with NTT DATA and, last but not least, a brief profile of our new CFO Jürgen Pürzer, whom I am delighted to welcome to itelligence.

I wish you an enjoyable and informative read.

Yours,



Norbert Rotter



Curitiba is the headquarters of intelligence subsidiary FH. Around 700 SAP experts work in six locations in Brazil.



INTERVIEW

“Key Milestones achieved”

REVENUES OF MORE THAN ONE BILLION EUROS, TWO NEW CONTINENTS, AND OTHER NEW RECORDS TO CELEBRATE: ITELLIGENCE CAN LOOK BACK ON A SUCCESSFUL YEAR. NORBERT ROTTER AND TOSHI FUJIWARA TALK ABOUT THE KEY FACTORS IN THE COMPANY’S SUCCESS, THE CHALLENGES CURRENTLY FACING IT, AND ITS NEXT GOALS.

Interview: Daniel Schönwitz

Mr. Rotter, you announced in last year’s annual report that itelligence AG would break the billion-euro revenue barrier in its anniversary year of 2019. It duly achieved this. How satisfied are you?

Norbert Rotter: I am very proud. We recorded double-digit growth once again, and even exceeded our revenue target by MEUR 40 – thanks in particular to strong organic growth. itelligence also achieved more important milestones, including expanding into Latin America, where we acquired a majority interest in FH S.A. in 2019.

itelligence now also has a presence in Australia, albeit without any external acquisitions.

NR: That’s right. We took over NTT DATA Business Solutions Australia from our group parent, NTT DATA, as part of an internal transaction at arm’s-length conditions. It is now formally an itelligence subsidiary. This means we are represented in 26 countries and on five continents.

How has profitability, an important goal, developed over the past year?

NR: We have made good progress in this area, achieving an EBITA margin of 3.7 percent. That is not enough for us, of course, but it should be noted that we are investing a high eight-digit amount in our employees, recruitment and global process optimization as part of our three-year “mid-term program”. This also includes switching over to cloud services and developing in-house products. This will have a corresponding impact on profitability in the meantime.

Toshi Fujiwara: The investments and acquisitions are important in terms of laying the foundations for long-term business success. We believe that Norbert and his team are taking the right approach, and we fully support the investment program as executives of NTT DATA Group with a strategic mindset.

When will itelligence achieve its planned EBITA margin of seven percent?

NR: The current fiscal year will continue to be characterized by substantial investments. However, we are increasingly bearing the fruits of the three-year reorientation that we initiated more than two years ago. Standardization is creating synergy effects without restricting the individual subsidiaries excessively. This is why we are confident that we will achieve the planned margin, EBITA of 7%, in 2021 – and we are working hard to make sure that this is the case.

Are you sticking to your goal for 2021 despite the coronavirus crisis?

NR: Initially, yes, but there is still a great deal of uncertainty. We will experience a deep recession that will impact the current fiscal year, but there is a real hope that things will improve rapidly again after the slump and that 2021 will be a better year. However, right now we can't predict how much and how fast the world economy and thus our company will recover again.

**“WE STILL HAVE A LOT TO
ACHIEVE TOGETHER”**

Will this still happen while you are CEO?

Your contract is going to expire in mid-2021.

TF: A few weeks ago, Norbert Rotter extended his contract by another five years. We have been working together in a spirit of mutual trust for many years now, and I am delighted that Norbert is staying on board. We still have a lot to achieve together.

NR: I am very happy about the trust that the Board of Directors of NTT Data and our Supervisory Board have placed in us. Our decisions focus on the long term and are based on trust.

Mr. Rotter, you mentioned the expansion into South America. What do you expect from the participation in FH S.A. in Brazil?

NR: With six locations and around 700 employees, FH is one of the leading SAP consulting and development companies in the region. FH is also interesting for us because it has developed Brazil's leading tax software, Gepardo, which is based on SAP technology. With our combined expertise and

product range, we are now ideally equipped to continue our growth within Brazil and beyond. In other words, FH S.A. is a kind of bridgehead for our expansion in Latin America. This is why I was particularly pleased about the active backing and support we received from NTT DATA.

TF: NTT DATA Group has a well-balanced geographical portfolio. Brazil is the biggest market in South America and I'm pleased that itelligence has now its presence in such an important market. I'm looking forward to seeing that itelligence collaborates with NTT DATA Group and benefitting each other in Latin America.

So you do not see any risk of itelligence and NTT DATA getting in each other's way during the expansion?

TF: Firstly of all, itelligence and NTT DATA should work well together in the same group. We have agreed how each company approaches to markets: itelligence will perform global SAP consulting business for SMEs and large companies with annual revenues of up to ten billion euros, starting in DACH region, while NTT DATA will be responsible for bigger clients. For DACH region, itelligence and NTT DATA have already started to build a collaboration model. I am confident that this is the optimal solution and one that reflects the strengths of both companies.

NR: I agree entirely. itelligence's traditional strengths lie in business with SMEs with revenues of up to one billion euros. The revenue category of one to ten billion euros gives us huge scope to develop, grow, and create value together with our customers – building on our industry expertise and SAP know-how.

TF: Expanding business with large companies is decisive for the growth of itelligence. Capacity is needed to tackle large and complex projects. NTT DATA has launched some global initiatives in order to create more synergy effects. I am convinced that itelligence will benefit.

**“THE DIGITAL TRANSFORMATION
REMAINS IN FULL SWING.”**

Mr. Rotter, you have mentioned on several occasions how important it is to attract more big customers. Is itelligence making progress in this area?

NR: In 2019, several major customers decided to entrust us with important and complex transformation projects. I am



Norbert Rotter (52) has been the CEO of itelligence AG since 2016.

Toshi Fujiwara (58) is the member of the Board of Directors responsible for Global Business at the parent group NTT DATA.



delighted with the confidence they have shown in us, not least because it underlines the size of our reputation and the opportunities available to us in this segment. This is an extremely important market for us, because we are investing in global SAP solutions that are already available worldwide on the basis of standardized processes. One example is our Global Managed Services, which are centered on application and cloud management as well as traditional SAP outsourcing. A major growth opportunity is also our partnerships with Microsoft Azure and AWS. In this area, we will develop interesting business models for our customers with hyperscalers.

More customers typically means more employees.

How are things looking on that front?

NR: We exceeded 10,000 employees in the first quarter. In particular, this was due to the acquisitions we made in the past year: As well as the participation in Brazil, we acquired ISS Consulting in Thailand, one of the leading SAP service providers in Southeast Asia. The company has formally been part of itelligence since January 2020. In addition to FH in Brazil, we acquired a majority interest in the C4 Hana partner and e-commerce specialist Weaveability Ltd. in the UK in April 2019.

What are your goals for the current fiscal year?

NR: We are again targeting two to three acquisitions. As things currently stand, however, these are more likely to be portfolio additions in countries in which we are already active. We also want to achieve organic revenue growth of between eight and ten percent, continue to make substantial investments and – as already mentioned – make progress in terms of profitability. But here as well, we have to of course consider the effects of the global pandemic.

TF: Our goals are ambitious. But I am extremely optimistic, because the digital transformation of companies remains in full swing. Additionally, many companies are switching to a new generation of SAP products such as C4 Hana, Leonardo and so on. This is generating a tailwind that we intend to use to our advantage. I would like itelligence to strengthen the digital capabilities and generate more value to clients.

What are the strategic focal points in the medium term?

NR: Beyond investments and acquisitions, I am particularly keen for us to develop more software products in-house in order to supplement the SAP portfolio in a targeted manner. This is another reason why our participation in FH S.A. is important: Our new colleagues in Brazil already generate around one-third of their revenues from internally developed software. We see significant potential in this area and expect this to offset the downturn in on-premises revenues due to the trend toward cloud software.

We are currently experiencing significant technological upheaval, geopolitical tension and societal change.

What do you consider to be the greatest risks?

TF: The automotive industry is seeing particular upheaval as a result of vehicle electrification and digitalization. There is a risk that some of our customers could run into problems. Some manufacturers and suppliers are still underestimating the extent of the challenge – and how dangerous new competitors could be. However, I believe we can transform these risks to opportunities by supporting clients and providing more values to them.

“EUROPE AND JAPAN ARE FACING SIMILAR CHALLENGES”

What about geopolitical risks?

NR: The trade conflict between the US and China is certainly not helpful. We are currently seeing a growing systemic competition between the major economic powers, which is inevitably also affecting us as a global company.

TF: Europe and Japan are facing similar challenges in many respects. Not only in terms of the geopolitical situation, but also when it comes to demographic development, for example. I believe these parallels are one of the main reasons why itelligence and NTT DATA work so well together.

NR: I can only agree with this. However, the impact of geopolitical risks on our business is not easy to predict. Our subsidiary in the UK enjoyed excellent development in 2019 in spite of the Brexit debate. Indeed, it is currently proving to be a real success story. We always have to take into account our share of the respective market. But it is also clear that global economic growth is slowing and that some customers will have to

postpone investment decisions. The coronavirus has already had a significant effect on our business in China. The worldwide impact has also become significantly more pronounced, with global supply chains now also being affected and widespread travel restrictions being introduced, particularly in the first and second quarter. This will greatly impact our business.

Speaking of demographic development: Almost every company in Germany is complaining about a skills shortage. What about you?

NR: Finding good employees remains a considerable challenge. There is no alternative to spending considerable money on salaries and training. We need to continue to attract top talents to itelligence, particularly as our projects become increasingly complex.

Are you succeeding – or is itelligence having trouble appealing to Generation Z?

NR: We are pleased to say that we are succeeding in attracting university graduates to itelligence. The development opportunities we offer undoubtedly play an important role: Our consultants get to know a wide range of companies extremely well, because SAP products cover the entire process chain. This combination of diversity, depth and IT expertise is extremely attractive for many graduates.

DRESDEN: FROM EYESORE TO IT CENTER

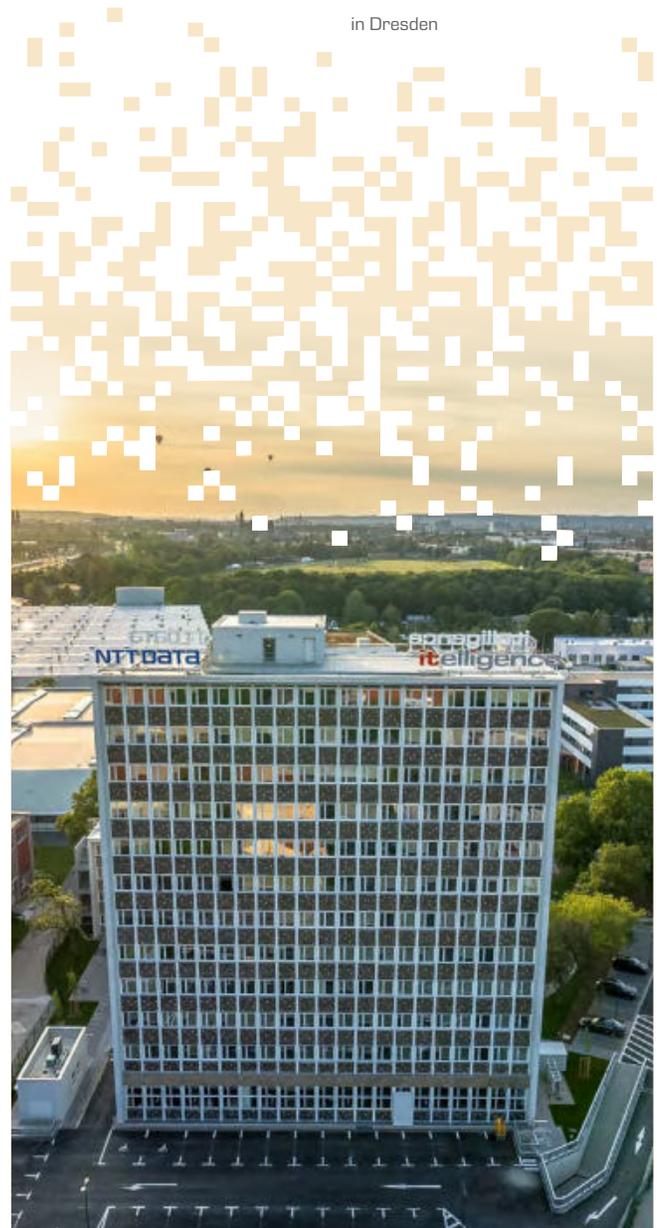
... and what about the work-life balance?

NR: itelligence consultants know that their early years with us will not exactly be a nine-to-five job. We are a service provider and our customers rightly expect total commitment on our part. This is why we need employees with an entrepreneurial mindset.

TF: "Client First" mind-set and dedication are key factors for success in our area of work. We always need to remember that our projects are immensely important to our customers.

NR: Absolutely. We greatly appreciate our employees' work and reward it not only financially, but also with extensive development opportunities and considerable scope for their own ideas and decisions. My management team and I are also striving every day to make working conditions more attractive,

The new itelligence IT Campus,
formerly "Schokopack-Hochhaus",
in Dresden



such as by introducing more flexible working hours and modern offices. One impressive example is the major new intelligence building in Dresden, the IT Campus.

With total floor space of 9,000 square meters, the building is home to 77 offices containing state-of-the-art IT workstations for intelligence's around 300 employees in Dresden. The regional press reported extensively on the opening in June. Why was that?

NR: We renovated the traditional "Schokopack" high-rise building – a fairly ugly twelve-story block, considered to be an eyesore by many Dresden residents, that was at risk of becoming derelict having stood vacant for a number of years. The opening was also attended by Michael Kretschmer, Minister President of Saxony, and Dirk Hilbert, Mayor of Dresden.

TF: Having engaged people is extremely important for us and we should continue to be attractive for talents.

You mentioned SAP, which has seen considerable changes in terms of personnel over the past year. Firstly a co-CEO arrangement, and now Christian Klein as the sole CEO.

NR: I am sure that SAP has laid the right foundations with this decision. The market environment has changed dramatically, demanding clear and quick responses and decisions. CEO Christian Klein is someone we have known and held in high esteem for a long time, and we are working in close cooperation with him and his executive and management team. We will continue to expand this cooperation, especially internationally with our group parent NTT and NTT DATA.

TF: Close contact with SAP is one of intelligence's greatest strengths, and I am certain that nothing will change in this respect. Last year's Pinnacle Awards again demonstrated the extent to which SAP appreciates intelligence. intelligence won an SAP Innovation Award in the "Process Innovator" category

with a project involving the use of drones and image recognition for the purposes of environmental protection. And intelligence was also recognized for its outstanding performance as an SAP partner with an SAP Pinnacle Award in the "SAP Global Platinum Reseller of the Year" category.

There have also been some interesting personnel changes at intelligence, with Jürgen Pürzer starting as the new CFO effective March 1. Why did you choose him?

NR: Jürgen Pürzer has many years of experience as the CFO of an international IT service provider, meaning he possesses the relevant process expertise. I am greatly looking forward to working with him and expect that he will help us to make further improvements to the efficiency and quality of our financial and controlling processes in particular. ■

INTRODUCING OUR NEW CFO

JÜRGEN PÜRZER

“After 15 years at the Atos Group – lastly as CFO for Central and Eastern Europe – I’m really looking forward to this new challenge at itelligence. My intensive, constructive conversations with Norbert Rotter and the representatives of the Supervisory Board impressively confirmed what I thought before I joined: as well as being the world’s leading SAP consulting firm, itelligence is a company with a rigorous, long-term strategy. One big reason for this is the stable ownership structure, which allows significant decision-making autonomy for the Management Board.

To begin with, I intend to get to know the company as well as possible and get itelligence’s DNA into my system. In particular, that means talking to people, asking questions, and listening carefully.

Based on the findings and my experience in the industry, I will then kick-start change processes in close coordination with Norbert Rotter and the management team. Boosting profitability will certainly be a key focal point here, as I believe this has been overlooked amid the rapid, successful growth. I can promise right now that I will communicate clearly here, set a strong example, and expand my somewhat limited knowledge of Bielefeld and Eastern Westphalia.” ■



Bio: Born in 1973, married with two sons (aged five and twelve), lives in Frankfurt // Degree in business administration with a focus on international management in Nuremberg // Post-graduate diploma in leadership at Glasgow Caledonian University // Started his professional career at the KarstadtQuelle Group in the late 1990s // Worked in various roles and countries for the French IT service provider Atos from 2005, including 11 years as CFO // Completed the Atos Group Executive Program at INSEAD Business School (France) // Many years of experience in controlling/finance and in integration and change management // Since March 1, 2020 CFO at itelligence AG





bx Technology *Fascinated*

A PORTRAIT OF FIVE IT SUPERWOMEN AT ITELLIGENCE. THE MANAGERS FROM GERMANY, DENMARK, THE US, INDIA, AND TURKEY HAVE FACED COMMON CHALLENGES AND FOUND SIMILAR RECIPES FOR SUCCESS: THEY ARE DEVOTED AND PASSIONATE FOR THEIR JOB AND NEVER STOPPED JUGGLING FAMILY LIFE AND THEIR CAREER. THEY KNOW: FALSE PRECONCEPTIONS ARE THE MAIN REASON THERE ARE STILL SO FEW WOMEN IN THE IT INDUSTRY.

Marianne Mia Jensen and her colleagues had prepared everything just right. In her mid-20s at the time, Jensen was in charge of one of her first projects – for a customer in France. The young, blonde Dane with a Masters in Accounting and Information Science was working as an SAP Finance consultant. But when the customer’s CEO entered the meeting room, he introduced himself to each of the men in turn – and only the men. He simply ignored Jensen, the team leader. She later found out that he did not greet women on principle. “He made me feel inadequate for being a woman,” Jensen recalls. Fortunately, she has never experienced anything similar since. “It would never happen in Denmark and it hasn’t happened with any other foreign customers either.” Even during her early days as the only woman on her team, that sole occasion 15 years ago was the only time she felt like her gender made any kind of difference. “Otherwise, being a woman is a positive thing,” Jensen clarifies. “In an environment where there are fewer women, being the exception can sometimes make a big impression.”

The IT industry remains male-dominated. According to the figures for the OECD and the EU contained in the latest “Women in Tech” index, while women account for between 40 and 50 percent of the workforce in all of the countries examined, the IT industry is still lagging behind at just 30 percent – and the figure for some countries is considerably lower. Just eleven percent in Israel and just over nine percent in Slovakia, for example. And women are even more of a rarity in management positions regardless of the country. At the same time, examples like Marianne Mia Jensen – now 41 years old and a director at itelligence with a global responsibility for the it.products portfolio and lead of a global transformation initiative – show that there are IT superwomen who have risen to management positions.

Jensen wanted to become a consultant after completing her studies. “My plan was to work for a lot of different customers and projects in a short space of time, as that’s how you learn,

seeing and supporting the companies from within.” She was not deterred by the supposedly dry nature of the SAP environment. After all, her education – accounting combined with information science – had been the perfect preparation. Above all, Jensen succeeded in achieving work-life balance. “Before I became a mother, I traveled for business a great deal,” Jensen says before laughing: “And as a mother, I simply carried on as before.” In Denmark, it is common for children to be looked after in day care when they are young. Jensen’s husband, who is self-employed and hence very flexible, takes care of the kids when Jensen is away on business. And the grandparents help out, too.

Like the other Scandinavian nations, Denmark is considered to be progressive when it comes to diversity and childcare. Jensen also has the flexibility within the IT industry – and at itelligence in particular – to thank for the fact that she is able to be a manager while also being there for her two sons, now aged eleven and seven. “I can arrange my working hours in a way that suits me and work from home if needed, I can also work when my kids are sleeping.” However, she adds that she and other itelligence managers still encounter far fewer women than men. Jensen suspects that they simply do not realize what opportunities are available within the IT industry.

“In our line of business, customers are fine with occasionally talking to their consultant by WebEx because they are working from home,” says **Fratke Sseen**, Head of Demand Management at itelligence Germany in Bielefeld. She adds that the IT industry is far more creative than the cliché might suggest. “Our work involves technology, yes, but only indirectly. Above all, we work with our customers to find out what they need and how we can support them.” The 45-year-old came to ERP largely by accident. She was studying business administration when a fellow student recommended that she take an SAP course. She made such a strong impression that the professor made her a mentor, subsequently recommending her as a working student to an SAP consultancy he knew. After a few years, she moved to itelligence. “We were working with R/3 at the time,” Steens recalls. She found the software to

be logical and practical. But consulting was what really excited her.

In her various roles, she was always surrounded by men. "When I was still very young, I sometimes had to persuade male colleagues that I knew my stuff," Steens says. "But a very young and inexperienced man might have had exactly the same problem." Gender was never an issue for her male bosses and colleagues, however. "The way I talk to people is the same whether they are male or female," Steens says. "The most important thing is to be authentic!" She had just become a project manager, when she became a mother. "After I gave birth, I was able to start working again on a part-time basis." When her mother died, her HR manager called her and reminded her that she had not yet used all of her maternity leave – and that she was welcome to do so now. "The message I have always been given is: We will adapt to your needs."

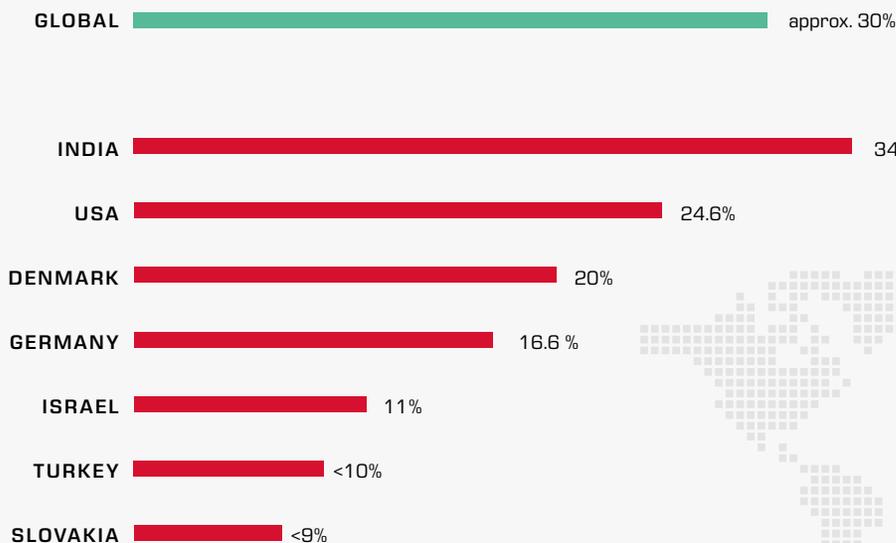
“

In an environment where there are fewer women, being the exception can sometimes make a big impression.

Marianne Mia Jensen
Director it.Products
Denmark



PERCENTAGE OF WOMEN IN IT



“

The message I have always been given is: We will adapt to your needs.

Fratke Sseen

Head of Demand Management

Bielefeld, Germany



She also raised her second child alongside her consultant work – on a 50% part-time basis and with plenty of improvisation. Her husband is a doctor, meaning he is also extremely busy. When child number three arrived, however, Steens moved to an internal sales department and established the area of Demand Management, which she now heads. “It was impossible to juggle three children and a project management role,” she says. “But then I got a new job that fits my life perfectly.”

Rina Shah has long been working to change the fact that woman comparatively comprise less than 25% in the IT industry management positions – despite these favorable conditions. The daughter of Indian immigrants is a notable exception. Shah, now 48, has worked hard to now hold a highly influential position as Vice President Customer Success at intelligence USA that is quite visible for all lines of business as well as for sister companies and professional and industry associations. It is a leading function in the fast growing Managed Services industry and very important for the company. A true believer in the benefits of gender diversity, Shah actively hired to achieve a female ratio of almost 40%. She took part in the Gender Diversity and Mentorship program initiative, and she is working to create a community with women in leadership with intelligence customers.

As far as Shah was concerned, studying Computer Engineering as a woman was a perfectly logical step. After all, her father had worked in IT, which sparked her interest and she got good exposure in the subject as he always gave her small projects to help him. After obtaining her MBA, she decided to join intelligence. At the time – 21 years ago – the US branch was still very small. “I loved the combination of technology and business and the opportunity they offered.”

Like Frauke Steens, Shah believes that misunderstandings and false preconceptions are to blame for the fact that IT still attracts more men than women. “Mathematics, sciences and technology are not seen as creative and fun disciplines,” Shah notes with some surprise. “Instead, they are presented as

complicated and boring – which makes them not exactly attractive to most young women.” However, she adds that the industry in the US is now making extensive efforts to get young women interested in IT.

Shah can see this from her own 13-year-old daughter: Thanks to various initiatives by IT companies and schools, she has been programming since she was in sixth grade, and she has already taken part in the “Girls Who Code” program and won several science and robotics competitions. Rina Shah believes that young women with an interest in technology need this kind of encouragement. “And mothers like me need to be a partner in their journey.” With a management job and frequent business trips, it’s been quite a jigsaw puzzle. “But we are always able to make the pieces fit,” laughs Shah, whose husband also works in the IT industry. Her children – she also has a high-achiever 16-year-old son – learned to be independent at an early age. “And I am a role model for them, too,”

Shah adds. “If I can achieve a healthy work-life balance, maybe they can see that and do the same.”

Even with all the flexibility in the world, gender still plays a role for Marianne Mia Jensen from Denmark, Frauke Steens from Germany, and Rina Shah from the US. For IT superwomen in developing and emerging economies, however, gender is far less relevant. In India, for example, families are ambitious and want the best for their children regardless of whether they are boys or girls. As **Tirtmala Hodtri**, Associate Director at itelligence in Hyderabad with responsibility for talent acquisition in India, explains: “If you want to get anywhere here in southern India, you either become a doctor or get a job in IT.” In India, women account for almost exactly 50 percent of graduates from mathematics and science courses. The result: According to a study by the market research company “451 Research”, the subcontinent is the global leader when it comes to the proportion of women in the IT industry at 34

“

I loved the combination of technology and business and the opportunity they offered.

Rina Shah

Vice President Customer Success
USA



“

In marketing roles, women are in the majority in Turkey. The same is not yet true of IT.

Bant Seygin

Marketing and Communications Director
Istanbul

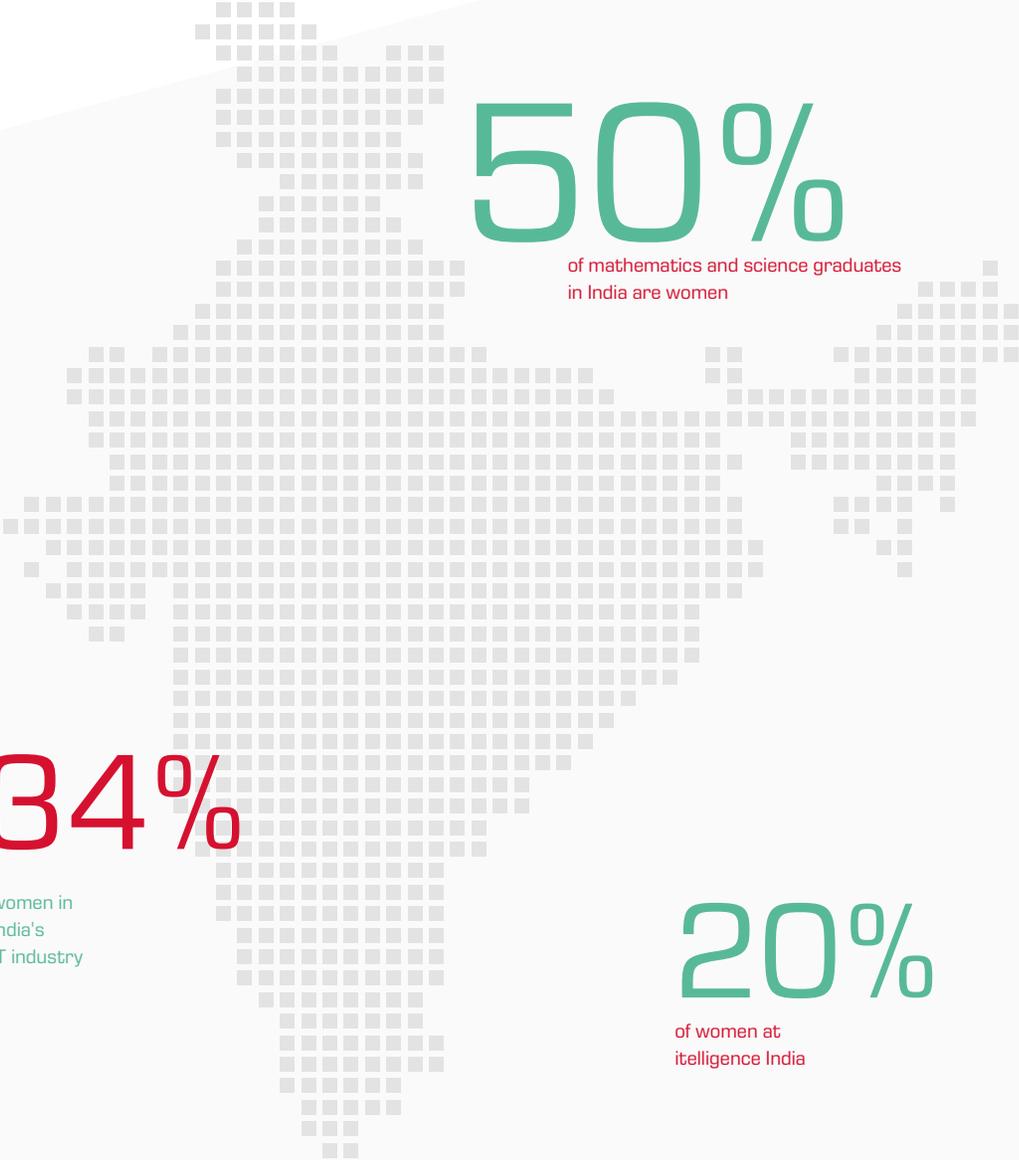




“

If you want to get anywhere here in southern India, you either become a doctor or get a job in IT.

Tirtmala Kodtri
Associate Director
Hyderabad, India



50%

of mathematics and science graduates in India are women

34%

women in India's IT industry

20%

of women at itelligence India

percent – well ahead of Denmark (20%), Germany (16.6%) and the US (24.6%).

At school, Koduri was good at mathematics, so she studied Electronics and Communication Engineering and worked at an IT company for a while. “It was normal for me, I didn’t think especially hard about it,” she says today. Then she realized that she was enjoying the HR work that also formed part of her job at the IT company more than the technology. So she studied for an MBA with a specialization in Human Resources as she pursued a career in recruitment. After working for companies including the online job portal Monster.com, the audit firm Deloitte and the fintech company FactSet, she moved to itelligence in early 2019. At around 17 percent, the proportion of women at itelligence India is still well below the nationwide average for the industry. As Koduri explains: “The company in its current form has only existed in India since 2013.” They needed a lot of experienced SAP experts at short notice in order to launch. And as the recruiter says, those experts were mostly male.

Now 38, Koduri has a seven-year-old son. Her husband and her parents-in-law help her to manage their small family. She can see how IT companies in India are increasingly targeting young women in particular, not least because they will otherwise be unable to meet the demand for IT specialists. She says this is why men and women in the Indian IT industry earn the same, and why companies are happy to let mothers work from home or take a baby break. “And private childcare is very affordable.” As open as things are, however, there are still some reminders that India is a conservative society with traditional gender roles. When Koduri needs to fill a position involving a lot of travel and one of the candidates is already a mother, it is not enough to ask the woman herself whether she can do the job. “We also have to carefully find out whether the husband and relatives are also on board with things, as otherwise it won’t work out,” says Koduri.

Turkey is home to two different worlds when it comes to gender equality, as **Bant Seygin**, Marketing and Communications Director at itelligence in Istanbul, explains. In the vast rural regions of Turkey, most women do not work at all, let

alone in well-qualified sectors like IT. But in major cities like Istanbul, where the Turkish IT industry is booming with double-digit growth rates, female managers like Sezgin are the norm. “The IT industry is a trailblazer,” she says. Sezgin is 30 and has a seven-year-old son. She studied Business Administration in Ankara before moving to Istanbul with her husband. She joined the marketing department of the IT consultant Elsys Consulting, which was acquired by itelligence AG in 2012. In marketing roles, women are in the majority in Turkey. The same is not yet true of IT – according to the OECD, the figure is below ten percent – but Sezgin says things are changing. “itelligence is a big advocate of women,” she says. She took an eight-month baby break and can work from home when she needs to.

The summary? itelligence has its superwomen, and they are growing in number – around the world. Even in the IT industry, however, there is still considerable room for improvement at management level. German itelligence manager Frauke Steens explains: “It is still the case that women who take a break from their careers to raise a family find themselves having to play catch-up when they return.” Steens says the SAP Group itself is a good role model when it comes to diversity. “But there is still plenty to be done.” Perhaps it is simply a matter of time before more talented female managers like Marianne Mia Jensen, Banu Sezgin, Rina Shah, Frauke Steens and Tirumala Koduri take their place in the upper echelons of IT companies. In any case, they have paved the way for those to come. ■



HEADING FOR THE GLOBAL 3RD STAGE

Cultivating long-term Relationships



Koji Miyajima during his speech
at the 2019 NTT DATA Romania
Christmas Party.

KOJI MIYAJIMA, DIRECTOR & CHAIRMAN OF NTT DATA EMEA LTD. AND SENIOR VICE PRESIDENT OF THE NTT DATA CORPORATION, HAS BEEN A MEMBER OF THE ITELLIGENCE SUPERVISORY BOARD SINCE 2019. HE TALKED TO US ABOUT THE COOPERATION BETWEEN THE COMPANIES, SUSTAINABILITY, AND THE BUSINESS GOALS.

Mr. Miyajima, what has been your experience of the cooperation between NTT DATA and itelligence in the last few years?

Koji Miyajima: Both companies have been collaborating since 2008. Back then, NTT DATA wanted to expand its SAP business because we didn't have the SAP implementation capability required to give global clients the best possible support. We opted for itelligence, as they had gone through an impressive phase of organic growth that continued after the merger. As a result, further acquisitions were made in many countries and areas of expertise. From this perspective, the partnership between the companies has developed extremely well. This is particularly apparent from the annual revenues of itelligence, which rose to over a billion euros in 2019.

The theme of the annual report is sustainability. Why is this important in the fast-moving IT sector, too?

KM: Corporate social responsibility and the United Nations (UN) Sustainable Development Goals are key points of reference for the actions of the NTT DATA Group. That is one reason why our mission statement calls for the use of IT to create new paradigms and values that help build a prosperous, harmonious society. However, the ongoing success of the company is also part of this. For example, we are pursuing a long-term investment strategy here so that we can put ourselves in a promising position in various countries and technologies across the SAP solution spectrum. In addition, we are gradually bringing the two entities of NTT DATA and itelligence closer together, as working together is the only way that we can give our customers comprehensive support. If these units are successful, a long-term relationship is established to everyone's benefit. Therefore, sustainability is a key pillar in our strategy.

What contribution can itelligence make to further growth?

KM: itelligence plays the lead role in global SAP business and has an outstanding level of expertise as well as long-term customer relationships. In addition, the company has built up a close relationship with SAP headquarters and the top management levels over several decades. This is hugely beneficial to us all, which is why itelligence is also responsible for the global SAP business of NTT DATA. Add to this the Group's global resources, for instance in implementation, development, and technological fields, we will succeed in satisfying SMEs and corporations alike. Ultimately, all organizations need increasingly efficient IT systems in order to boost their income and profits.

What central objective is the international collaboration geared towards?

KM: In the medium term, we are working to reach the global 3rd stage in the context of the NTT DATA strategy. We are positioning and differentiating ourselves here as a trusted global innovator in the market of the world's leading IT consulting firms. Therefore, I hope that itelligence will keep on stepping up its collaboration both with the NTT DATA Group companies and with its NTT affiliates in a spirit of partnership in the years ahead. To this end, we must structure the Group's portfolio, look for overlaps, and generate useful synergy effects in order to improve the efficiency of all entities. I firmly believe that the closer we grow together, the better we can meet user companies' wishes for outstanding IT systems from a single source. This in turn presents new opportunities for expansion. ■



“

Even though the geographical distance is large, there are still many cultural similarities.

JAPAN MEETS EAST WESTPHALIA

TRUST *has to be earned*

ITELLIGENCE JOINED THE NTT DATA TEAM IN 2008. UWE BOHNHORST AND MASAHIRO "YANARY" YANAGAWA ARE WORKING TO ENSURE THAT THE PARTNERSHIP AND COLLABORATION BEAR FRUIT IN THE LONG TERM. THE FOCAL POINTS ARE EXPERTISE, SHARED SUCCESSES AND COMMUNICATION AIMED AT OVERCOMING STRUCTURAL AND CULTURAL BARRIERS.

itelligence has been part of NTT DATA for 13 years now. In this period, the two organizations have learned how to overcome the geographical distance of over 9,000 kilometers between their respective headquarters and embrace the cultural differences. One person tasked with building bridges between people is Masahiro "Yanary" Yanagawa, Executive Vice President and Head of Global Collaboration. The Japanese businessman held various posts at NTT DATA. At itelligence, he has been responsible for cooperation with headquarters in Tokyo and the Group companies. "What we have here is two established organizations that differ in many respects. Even so, they share a strategy and pursue joint aims," says Yanagawa.

In his role, the manager, who describes himself as a "liaison officer" in the Group and "100 percent itelligence", travels through all national companies in order to meet the widespread members of the global team and exchange ideas on strategic matters. "Stepping up communication between the managers is crucial to a stable relationship," says Yanagawa. He mainly deals with staff functions such as finance and controlling as well as strategic areas such as M&A and compliance, but also business collaborations. According to the collaboration expert, a key to understanding is a common basis for discussion: "The world is becoming increasingly complex, and we need to keep talking to each other in order to avoid misunderstandings and boost mutual trust."

This is confirmed by itelligence COO Uwe Bohnhorst, who clearly recalls the early days of the partnership between NTT DATA and itelligence in 2008: "I was involved in the collaboration between the two companies from the outset, for instance in acquisitions and the build-up of SAP expertise in the APAC region." In addition, the manager played

a part in various acquisitions and integrations as well as the amalgamation of individual companies in Asia in his role as a Board member of NTT DATA Business Solutions. Ultimately, he says, it is now impossible to operate in international markets as a lone wolf relying opportunistically on external support. "Therefore, the relationships between the companies and their responsibilities have been supported and moderated in a targeted manner from Tokyo for several years."

Complementing NTT DATA's global portfolio with SAP expertise from Bielefeld and strengthening business outside of Japan was the main factor driving the acquisition and remains the most important link today. The strategy is divided into three phases: the global 1st stage of the acquisition, the global 2nd stage as internal integration, and finally the global 3rd stage focusing on synergy and efficiency. By German standards, this is a very long-term view, says Bohnhorst – particularly for the IT sector with its short innovation cycles and rapid changes. "But over the years, NTT DATA and itelligence have developed mutual trust in their capabilities and common goals."

itelligence brings an extremely attractive range of products and services to the table. The company boasts detailed expertise and experience in the SAP sector and has close links with SAP headquarters in Walldorf – "it's just 400 kilometers down the highway," says Bohnhorst. After 30 years of close and intensive collaboration, SAP now treats itelligence, a fully-fledged SAP partner, as friends and family. No wonder the global SAP business throughout the entire NTT DATA Group is coordinated and, in many areas, managed from Bielefeld.

This intensive integration did not happen overnight. Yanagawa came on board in 2013, when itelligence was delisted from the stock exchange and wholly acquired by NTT DATA. "At the time, collaboration and alignment were not particularly active, either in projects or at strategic level," he states diplomatically. It was necessary to convince the management and employees of the benefits of cooperation and pave the way for a joint team that could grow more quickly

and with greater stability. However, the atmosphere has now changed in such a way that intensive collaboration is possible, he says – "this was not easy, as itelligence was ultimately used to being independent". According to Yanagawa, time was the main factor in winning people over. "If you just demand things, it won't work."

To maintain the balance between give and take to establish a win-win situation, itelligence benefitted from the international network of the Japanese firm. This included the opportunity to significantly accelerate growth with investments – something that COO Uwe Bohnhorst himself says is a plus point for itelligence: "We benefit financially from our parent company NTT DATA, as it has strongly supported our acquisition and expansion strategy in the past – an advantage that cannot be underestimated amid the market concentration in the IT sector, and particularly in the SAP partner segment." Since the acquisition in 2008, itelligence's revenues have risen by just under 17 percent per year on average, Bohnhorst points out: "We wouldn't have grown so quickly without NTT DATA."

The Bielefeld-based company's perspective of the market has changed, too. "NTT DATA has shifted our focus to regions that are not necessarily on a traditional German IT firm's radar – indeed, we too took the conventional path from Europe to the US at first." As the only global system integrator based in the Asia-Pacific region, and given the regional integration of the Japanese economy, NTT DATA has a different perspective of markets such as Malaysia, the Philippines or Thailand. Asia is now regarded in Bielefeld as a self-sufficient region that can generate its own growth. "We have the Japanese to thank for that."

In addition, according to Bohnhorst, there has been considerable emphasis on developing personal contacts and networks within the organization – the "mindset of a family" is meant to foster direct communication and collaboration in the Group. Tokyo has invested lots of money in this win-win, for instance in global management meetings, large conferences and the "SAP Global One Team" initiative of all operating

units with SAP expertise. In this respect, the long-term transformation has been implemented in an exemplary fashion, says COO Bohnhorst: "Investors from other regions would probably have taken a different approach."

For Masahiro "Yanary" Yanagawa, a close partnership is mainly built on mutual trust, the essential conditions that comes over time, shared experience, and a pleasant atmosphere. "This was a change for the better for itelligence and NTT DATA in recent years." Not least of all because, despite obvious differences, there are also fundamental similarities between Germany and Japan. In Yanagawa's view, these include the long-term perspective in planning and thinking, as well as striving to build up lasting relationships shaped by trust and respect. This applies to partners, and especially to customer relationships. "Therefore, sustainability is also suitable for a fast-moving sector like IT, and is the key to real success." ■

“

Ultimately it's now impossible to operate as a lone wolf in international markets.

Uwe Bohnhorst
COO itelligence



“

The world is becoming increasingly complex, and we need to keep talking to each other in order to avoid misunderstandings and boost mutual trust.

Masahiro "Yanary" Yanagawa
Executive Vice President
Head of Global Collaboration
itelligence



ON THE WAY TO PROFITABLE SUSTAINABILITY

Good Deeds pay Off



PURPOSE IS ONE OF THE HOT TOPICS IN MANAGEMENT RIGHT NOW: WHAT IS THE PURPOSE OF THE COMPANY AND HOW CAN IT DO BUSINESS SUSTAINABLY TO ALIGN SOCIAL AND ENVIRONMENTAL IMPROVEMENTS WITH GROWTH? THE BRAZILIAN IT COMPANY FH HAS LONG PROGRESSED BEYOND VISIONS OF A BETTER WORLD AND DECLARATIONS OF INTENT. ITS COO, MARTIN STREMPFER, EXPLAINS HOW SOCIAL IMPACT AND PROFITABILITY CAN GO HAND IN HAND.

Martin Stremper is a man who crosses borders. He went to a Waldorf school, moved from Swabia to Baden for his studies, then joined a Spanish IT company before ending up with an SAP partner in the south of Brazil. He now looks after the day-to-day business of the IT company FH in his role as COO and is the sponsor of a project in the area of corporate social responsibility (CSR). The company has a foundation that donates part of its profits to social projects, such as to help people with no access to education. "Employees want their work to be about more than just making money – they want it to have a meaning, too", says Stremper.

The Brazilian software and consulting company FH has been majority-owned by itelligence since late 2019, but the company founders had already adopted the principles of sustainability 20 years ago. "We are one of the companies in Brazil that are known for their commitment to social and environmental issues." Stremper adds that this does not come at the expense of profitability: "I am in no doubt





that business profits and the 17 Sustainable Development Goals of the United Nations can be reconciled.” These goals include fighting poverty and hunger and ensuring education for all. After all, in 2009 FH became only the second company in Latin America to sign up to the UN Global Compact – a global pact to encourage businesses to adopt sustainable and socially responsible policies and report on their implementation. “Our aim was always to spearhead this movement in Brazil.”

COO Stremper is supported by Paulo Cruz Filho, a consultant and founder of Flowie Impact Experiences, who is the representative of the B Corp movement in Paraná province. The non-profit organization was formed in 2006 to change the meaning of success in business and to help companies to strengthen and measure their financial as well as the social impact. As Filho explains, B stands for “benefit” – which means being the best company for the world, not just the best in the world. “The connection to the business model is always at the heart of things, because profitability and social impact go hand in hand.” It is a formula that goes beyond the logic of “if you make more money, you can do better”. Furthermore, it is about the evidence that creativity, innovation, purpose and boldness can develop business models that generate profitability and at the same time contribute to solving pressing social and environmental issues, locally and globally.

For COO Stremper, B Corp is “exactly what we need”. For the last two years, he has been working towards the certification, which is based on the determination of social impacts. “This

is not a marketing instrument, but a very strict project,” Stremper notes. “We failed to achieve certification first time round because we didn’t meet all of the criteria.” But B Corp would allow him to formally implement the methodology within the company as part of a wider project – with a defined start and end. The umbrella organization, B Lab, has also recently established a partnership with the UN. Filho explains: “They created the SDG Action Manager, a free tool that allows companies to evaluate and compare the extent to which they are meeting the UN’s global sustainability goals.”

The focus is on purpose, responsibility and transparency. The B Corp Certification is intended to show how strongly FH is linked to these three principles. Above and beyond just making adjustments, this requires a change in mindset and process modifications throughout the company – establishing a comprehensive B Culture. “The certificate is based on the business model and practices in areas such as social and ecological sustainability, governance, employees and consumers,” Filho explains. Highest scores are achieved when the business model is directly tied to the practices. This is the case, for example, when suppliers and materials in the value chain are selected with a view to improving the company’s impact or having a positive impact of their own. This includes the use of renewable energies, recycled materials and improving the value chain of local suppliers. In this way, the B Corp requirements are integrated into the business model and the production lines. “The more a company produces in this way, the bigger its positive social impact.”

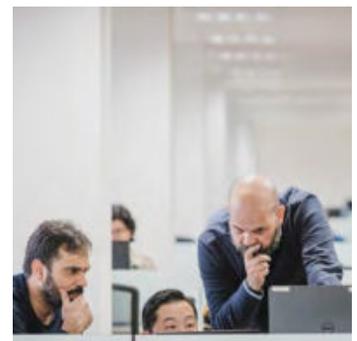
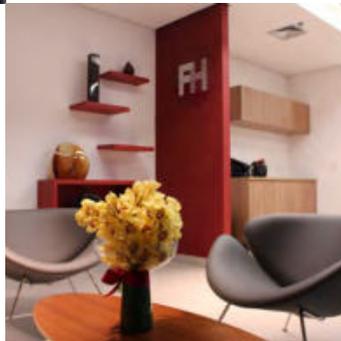
FH has laid a lot of the groundwork in recent years. The company’s mantra is “coding4people” – and its aim is to create a





“

Employees want their work to be about more than just making money – they want it to have a meaning, too.



better world through technology. “With B Corp, we are focusing on coding4people, as it has a strong message and allows us to combine business and social impact,” says consultant Filho. This incorporates three approaches:

- **coding4good:** The company’s IT expertise is harnessed to develop innovative technical solutions for the most acute of Brazil’s social problems and to support social organizations.
- **coding4thefuture:** The company works toward improving education in the country, including for disadvantaged children and young people, and achieving equality for women.
- **coding4reds:** The company uses its expertise to improve the lives of its own employees (“the reds”), e.g. through team-building exercises, team sports and the promotion of leaders.

The biggest challenge is to win over every employee to the new mindset. “Persuading younger colleagues at the lower levels of the company is easier,” explains Stremper. “However, middle management is populated by lots of representatives of the old school, and it can be difficult to communicate different values to them.” B Corp consultant Filho is familiar with the zone between senior management and the younger generation from other organizations. “The middle ultimately often has goals that are tied to the old strategy, rather than to social impact.” When the latter is introduced alongside normal business and starts taking up employees’ time without helping them reach their goals, progress can easily come to a halt. However, Stremper can see the change gradually taking place: “The feedback is getting better, and many colleagues have approached me and asked about how they can get involved with the project.”

As the COO says, certification itself involves several benefits. Firstly, it makes the company a more attractive employer, thus improving employee retention. Employees are also involved in the social projects via various projects and initiatives. Moreover, adds Filho, “the impact-oriented mindset on employees is strongly reinforced when the B Culture is deeply linked to the leadership pipeline and the internal executive training programs.” Secondly, B Corp processes lead to closer

customer relationships and improve the customer experience. This includes the topic of corruption, as Stremper reasons: “Our customers greatly appreciate our clear statements on this matter.” This helps the company to attract many good and loyal clients, making it an investment in sustainable success: “This has always been a successful approach, in both good times and bad.” Filho adds that the global network of change-oriented organizations is another factor. “B Corps around the world are looking for suppliers that are also B Corps and that have internalized the same mindset.” He adds that FH can also help intelligence to make global contacts.

The software company FH intends to try for B Corp certification again before the end of 2020. Whatever the outcome, COO Stremper will remain focused on his three bottom lines: “We will continue to work to optimize the economic, ecological and social impacts of our business.” After all, he wants to be the change he wants to see in the world. ■



“

B Corps around the world are looking for suppliers that are also B Corps and that have internalized the same mindset.

ABOUT FH

In late 2019, itelligence acquired a majority interest in the Brazilian company FH. Formed in 1999 by Ricardo Fachin and Fábio Hauagge, FH is one of Brazil's leading SAP consulting and development companies and has been an SAP partner since 2007. Its tax management solutions, GUEPARDO and ECG, are used by organizations that collectively account for more than eight percent of Brazil's GDP. FH also enjoys a stable market position internationally as Latin America's leading vendor for the SAP Customer Experience portfolio and has successfully completed numerous SAP rollout projects in over 30 countries. Around 700 SAP experts work for FH at six locations in Brazil, including the company's head office in Curitiba. Ecological, social, and economic responsibility have been key pillars of the company's strategy right from the very start.

www.fh.com.br



B CORP

B Corp is a global movement of companies seeking to use business as a force for good. The B stands for “benefit”. B Corp certification is performed by the non-profit organization B Lab. The process measures and evaluates the entire social and economic performance of a company and the impact of its operations and its business model on employees, customers, and the natural and social environment.

www.bcorporation.net



BØRNS VILKÅR

SAMMEN STOPPER VI SVIGT



NEXT BEST ACTION?

Improving Child Welfare with AI

IN CONJUNCTION WITH ITELLIGENCE, THE DANISH CHILD PROTECTION ORGANIZATION BØRNS VILKÅR IS DEVELOPING AN AI SOLUTION THAT CAN SUPPORT, IMPROVE, AND SPEED UP COUNSELING SESSIONS. KEY PRIORITIES IN THE PROJECT INCLUDE DATA PROTECTION, ETHICAL MACHINE LEARNING, AND AI METHODS THAT UNDERSTAND THE LANGUAGE OF CHILDREN AND YOUNG PEOPLE.

Per Falck Jensen recently gained nationwide fame: The Managing Director of itelligence Denmark appeared on the TV news to promote an innovative charitable project that was developed in tandem with a Danish child protection organization. This drew 20,000 people to his LinkedIn profile – but also prompted a backlash that lasted days on social media. “The combination of AI and child welfare has its opponents even in a progressive country like Denmark,” Falck Jensen concedes.

What happened? Since 1987, the Danish organization Children’s Welfare (Børns Vilkår) has been running a hotline for children who can use it to discuss their highly personal problems with adult counselors. What started out as a telephone service now encompasses SMS and chat. And demand is constantly rising. The non-profit organization cannot handle all attempts to get in touch – more than 100,000 children must go without counseling per year. This situation is unsustainable.

Members of the project team
(from left to right): Rasmus Ørtoft,
Charlotte Lindegaard Petersen,
Thomas Nørmark.

BØRNS VILKÅR

Børns Vilkår (Children's Welfare) is a Danish welfare organization whose purpose is to end child neglect in Denmark. As a part of this, Børns Vilkår runs a children's helpline called "BørneTelefonen" ("the kids' telephone" – www.bornetelefonen.dk). Here, children of all ages can talk anonymously by phone, chat, or SMS with trained adults who help them with their needs and concerns, ranging from questions of love, body issues to bullying, self-harm and suicidal thoughts.

The "BørneTelefonen" is staffed by a host of volunteer counselors who have child-related training and work with children in their professional life, for instance in kindergartens, schools, and welfare centers. During a shift, the volunteers work at the child welfare organization's call centers in Aarhus and Copenhagen.

“

For the telephone counselors at Børns Vilkår, we are developing a kind of advanced colleague that has access to counseling sessions and experience from the past.

Per Falck Jensen (left)
at the signing of the contract
with Rasmus Kjeldahl,
CEO of Børns Vilkår.



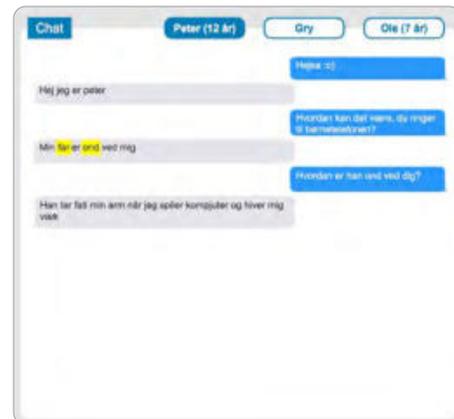
The problem is that there has been a consistent rise in demand for advice among children recently. As a result, tens of thousands of calls – more than half of all attempts to get in touch – now go unanswered each year because the welfare organization has insufficient technical capacity and too few human counselors.

Often, children spend two hours waiting before being put through to someone. Sometimes, the line is even closed for new children, because so many are already waiting. Therefore, Børns Vilkår has continuous focus on solutions that can increase the number of handled calls, such as targeted support to counselors and other projects that can help speed up the process.

“We are a small country with limited resources, and we rely on using technological innovations to keep pace with our international competitors,” say Falck Jensen, describing the project's initial situation. No wonder the welfare organization turned to itelligence when looking for a solution, “probably because we have forged a certain reputation as an innovative company and AI pioneer in Denmark.” Artificial intelligence is highly regarded in Denmark, especially as Margrethe Vestager, the EU's Digital Commissioner, is Danish. Although many companies use AI, the project had to enter uncharted territory – how can children receive the help they need?

Thomas Nørmark is not only Danish, but the Global Head of AI & Robotics at itelligence – which made him the ideal mentor for the project. “For the telephone counselors at Børns Vilkår, we are developing a kind of advanced colleague that has access to counseling sessions and experience from the past,” relates Nørmark. This “ethical advisory agent” will assist the volunteers in their conversations with children and improves the quality of the exchanges: The software tracks the conversation and gives suggestions on dialog technique based on its acquired “experience” - curated content created by experienced counselors. These may include in-depth questions, references to laws and legal regulations, or processes that are triggered externally at authorities or other institutions.

Seven experts from itelligence are involved in developing the AI-assisted “next-best action” in the counseling sessions, and targeted support is obtained in specialist technical areas, says AI expert Nørmark. “Designers for user experience are important, as the telephone counselors come from different age



“

Denmark is a small country with limited resources, and we rely on using technological innovations to keep pace with our international competitors.

“

The challenge is that children communicate in their own language, which also changes quickly.

groups. So we need an application that will be suitable for all users.” There are also data scientists for analytics, big data, and machine learning involved as well as project and process managers.

According to Nørmark, training of the AI encompasses the current slang that young people use as well as the welfare organization's archive. “The challenge is that children communicate in their own language, which also changes quickly.” Consequently, the AI has to learn to understand and use terms from youth slang in order to interact with different age groups and give appropriate answers. And, of course, the software must be able to communicate across channels such as SMS and chat.

Data protection requires particular attention, adds itelligence consultant Charlotte Lindegaard Petersen, who works on the project as a solution designer. “Along with the strict rules on access to the conversations, all personal information from the conversations was deleted first of all so that none of the children could be identified.” She says it is also crucial to keep on raising acceptance of the AI colleague before it will go into use. “We don't want a solution that is dreamed up by an external IT consultant and totally divorced from reality.” Anyone who doesn't want assistance from the AI agent can turn it off at the click of a mouse. The system can also be trained in a targeted way by marking and assessing the AI's suggestions. “That way, counselors can manage the solution and improve it to their benefit.”

For Thomas Nørmark, the ethical element of AI is a key success factor – especially as there are currently only a few

programs that are demonstrably safe and ethical. “Experience shows that people shy away from this supposedly evil black box with artificial intelligence,” says the expert. Consequently, AI must always be safe, ethical, accountable, and open. “The response on social media has shown that it pays off to put so much emphasis on these four areas – we have shown that we take all this seriously with our ethical AI.”

itelligence's employees in Denmark take it seriously, too. Many of them donated their Christmas bonus from the company in order to fund charitable projects. Further initiatives of this kind are set to follow: “Working on a meaningful long-term project matters to our employees,” says itelligence manager Falck Jensen. What also counts is the long-term perspective – after all, there is still a lot of potential for AI colleagues of this kind. ■



NTT DATA's ethical guidelines

NTT DATA published its ethical guidelines on artificial intelligence (AI) in 2019. In doing so, the IT service provider took responsibility for shaping a society in which people and AI coexist and collaborate.

On the basis of these guidelines, NTT and itelligence will promote, research, develop, and facilitate AI, and use it for the common good. The aim of this work is to use AI to foster a sustainable, integrative society geared towards human needs while reducing potential negative aspects of AI. The ethical guidelines are aligned with the principles of the UN's Sustainable Development Goals.

sustainabledevelopment.un.org

Intelligent Enterprise

Although AI systems are trained for a specific task, new capabilities can be added to their underlying methods at any time. For instance, AI can be used to support counseling sessions with children and at companies' service desks, says Mark Albrecht, Global Head of Innovation Technologies at itelligence. "If suitable information can be automatically played to people in a queue, this has positive effects on efficiency and customer satisfaction." By extension, the potential of AI can be applied to the entire "intelligent enterprise", be it a business or an authority.

"If people receive information relevant to their work from an AI system, they have more time for their actual tasks," reasons Albrecht. For example, doctors could receive essential information on their patients' medical history, controllers could gain access to financial data, and sales and service employees could benefit from intelligent analysis options and targeted information to help them solve problems. In particular, logistics and production processes can be stored with comprehensive status tracking. "As well as texts, the AI systems can evaluate video and audio files." This has now advanced to the point where artificial intelligence can identify if the dialog partner is frustrated by the progression of a conversation – provided that it was properly trained.

Gode råd:
Sådan støtter du børn i corona-tiden



Få gode råd til hvordan du imødekommer børnenes forskellige oplevelser under corona-nedlukningen.

[Læs rådene](#) →

ENERGY-EFFICIENT DATA CENTERS

Silicon Saxony? *Sustainable Saxony!*



“

Servers are large heating units that we need to cool as efficiently as possible.

Deni Seliger

Team lead - Data Center

Infrastructure & Operation



IN ORDER FOR IT TO DO BUSINESS SUSTAINABLY, IT NEEDS AN ENERGY-EFFICIENT INFRASTRUCTURE. THIS IS HOW THINGS ARE DONE NOWADAYS – AND IT PAYS OFF, TOO. WITH ITS NEWEST DATA CENTER IN THE TOWN OF BAUTZEN IN SAXONY AND ITS IT CAMPUS IN DRESDEN, ITELLIGENCE IS SETTING NEW MILESTONES IN RESOURCE CONSERVATION.

The German federal state of Saxony has developed into a real powerhouse for itelligence in recent years. It is home to a state-of-the-art campus for the company's employees and two high-availability data centers with servers and network equipment for more than 2.3 million users working with hundreds of SAP systems. In this case, "powerhouse" can also be interpreted literally – as Denis Seliger, who is responsible for the infrastructure and operation of the data center in Bautzen in "Silicon Saxony", explains: "At the end of the day, servers are large heating units that we need to cool as efficiently as possible." One of the technical challenges facing the expert for power supply, cooling and safety is that a lot of cooling consumes a lot of resources!

For each of its data centers, itelligence uses a parallel power supply in which each channel is capable of providing the entire power supply for the fully equipped data center in its own right. The newer of the two data centers provides the infrastructure for around 5,000 servers across an area of around 2,200 square meters, including 25 kilometers of electrical cables and 60 kilometers of data cables. Two emergency power systems, each with a capacity of more than 2,200 kW, ensure self-sufficient supply for at least 72 hours in the event of a power outage. The redundant supply lines mean that UPS systems run at below 50 percent capacity in normal operation, which has to be taken into account when selecting the corresponding systems. The most important thing for Seliger: "The availability of IT systems is our top priority. They must be running at all times."

Data centers are the area with the highest energy consumption and the greatest potential for green IT and sustainability. Each of the buildings in Bautzen is designed for an IT capacity of 1.2 MW. Together, this means they consume as much power as around 6,000 four-person households. According to Seliger,

however, the main way to generate savings is not by looking at the servers' power consumption, but at how the systems are cooled. itelligence has adopted a relatively new approach at its

latest data center: indirect free cooling. This involves large systems with air/air heat exchangers in which the energy of the inside air is transferred to the outside air. This is supplemented by adiabatic cooling, in which the heat exchangers are moistened with water. "The evaporating water extracts energy and provides additional cooling," explains the data center expert. This means Seliger is able to use free cooling even when the outside temperature is high, and energy-intensive and expensive compression cooling only needs to be activated on a few days every year.

The development is very much in the spirit of Frank Schwabe, itelligence's Head of Purchasing in Bielefeld: "Our data centers

combine environmentally friendly, efficient technology with our profitability objectives." This can only be achieved through a number of small steps, such as computers that still work at higher temperatures and hence require less cooling, energy-saving processors, and memory with higher packing density. One specific example is all-flash solutions. One of these racks can replace more than 20 racks with rotating disks, as well as consuming less electricity in a direct comparison. "We are happy to take on board technical advances that reduce the space and energy used at our data centers," says Schwabe.

This includes using waste heat from the servers to heat the buildings. "We use a heat pump to extract energy that is then used to heat the offices and meeting rooms at the data center," reports the Head of Purchasing. This means other energy sources are not required. The same is true for adiabatic cooling – itelligence collects rainwater on the roof of the data center and uses it to moisten the heat exchangers. This all pays off when it comes to the bottom line: "Our newest data center in Bautzen has a PUE of 1.2," reports infrastructure expert Seliger. PUE, or power usage effectiveness, expresses a data center's total energy consumption divided by the total consumption attributable to IT in the form of servers, storage systems and network technology.

The closer the PUE gets to 1, the more efficient the data center is, as electricity is being used almost exclusively by the IT systems. For the data center in Bautzen, this means just 20 percent of total energy consumption is used for non-IT purposes. "Considering we do not use any outside air for direct cooling, a PUE of 1.2 is an excellent achievement," notes Seliger. In practice, a PUE of below 1.5 is considered to be highly efficient, while conventional data centers typically have a PUE of around 1.9.

Protecting the environment and conserving resources was also a factor in itelligence's latest prestigious project in Saxony: the "construction" of a state-of-the-art, efficient 11-story office building in the state capital, Dresden. Rather than constructing on a greenfield site, itelligence renovated a protected high-rise building that was used to develop packaging machines for confectionery prior to German reunification. "We completely gutted and rebuilt the interior of the Schokopack building in order to send out an extremely visible sign of our commitment to the location and to bring together three itelligence offices in Dresden under the same roof," Schwabe explains.

The new "IT campus" represents itelligence's biggest investment outside of company acquisitions. The building services now only use LEDs and thermal insulation glass, paper towels

“

Our data centers combine environmentally friendly, efficient technology with our profitability objectives.

Frank Schwabe

Vice President

Head of Global Purchasing



have been replaced by dryers, and state-of-the-art videoconferencing technology will reduce the amount of business travel. To this end, all employees are moving over to the Microsoft Teams collaboration solution. For Schwabe, the fact that additional workstations can be created at the IT campus if required is another sign of its sustainability and foresight: "With its large number of networks and exciting companies, its research institutions and universities and its focus on microelectronics and IT, Saxony is a powerhouse that offers ideal conditions for our continued growth." ■

The RZ 4 data center in Bautzen

itelligence's newest data center in Bautzen opened in 2017.

1,200 kW capacity for IT systems
680 sqm server and provider rooms
2,200 sqm infrastructure for around 5,000 servers
25 km of electric cables, 60 km of data cables

- Air cooling with indirect free cooling (air/air heat exchangers)
- Adiabatic cooling (cooling through water evaporation)
- "Free cooling" (without compression cooling) even when outdoor temperatures are high
- Rainwater used for adiabatic cooling
- Waste heat from servers used to heat the building
- Target PUE: 1.2



The indirect free cooling units (right) use outside air to extract energy from the waste heat generated by the racks (left).

SCORING WITH SUSTAINABILITY

New **Technologies** for the *Energy Transition*

PRESSING AHEAD WITH THE ENERGY TRANSITION, USING STATE-OF-THE-ART TECHNOLOGIES – AND DOING GOOD. ITELLIGENCE IS WORKING WITH A REGIONAL UTILITY COMPANY ON A PROJECT THAT COMBINES ALL THREE OF THESE AIMS. EVERY ELECTRICITY CUSTOMER CAN INCREASE THEIR “GREENSCORE” – AND BENEFIT THEMSELVES OR CHARITABLE ORGANIZATIONS IN THE PROCESS. THE TECHNICAL FRAMEWORK: GAMIFICATION, IOT, AND BLOCKCHAIN.



The transition to renewable energies is continuing: In 2019, wind and solar power production in the EU nations reached a new record of almost 510 billion kWh. The most important renewable energy source in Europe is wind energy, followed by hydropower and solar energy. The problem: A lack of storage capacity and the volatility of sunshine and wind often means there is a disparity between supply and demand, which poses an obstacle to the stable development of the market. Ideally, customers should purchase green electricity when it is flowing through the grid. But when exactly is electricity truly green?

“

How can we use innovative technologies to control household electricity consumption in a targeted manner?

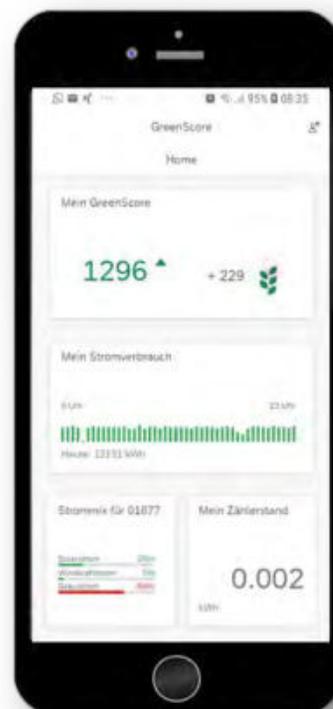
The solution to this dilemma was developed as part of the “Smart Systems Hub”, a networking initiative in Dresden that is one of the twelve competence clusters within Germany’s Digital Hub Initiative. It focuses on supporting smart solutions in conjunction with the Internet of Things by connecting companies with innovation partners from science and the start-up scene. Mark Albrecht, Global Head of Innovation at itelligence, summarizes the specific challenge when it comes to green electricity: “How can we use innovative technologies to control household electricity consumption and consume renewable energies in a targeted manner?” That the solution in 2020 should involve an app is not especially surprising – but the real technical tasks play out below the surface.

“The GreenScore project emerged from a competition in Dresden in cooperation with a regional utility company and SAP,” recalls Matthias Siegmund, Innovation Manager at itelligence Global Managed Services and now the project manager. The competition – known as “Thin[gk]athon” – is like a hackathon, but with closer integration between business and IT. Its motto: Four days to find new and innovative approaches to combining energy data management, IoT, and blockchain.

The topic owner was the local utility company, which provided the perspective from the field. itelligence contributed four experts with different skills to the mixed teams that addressed the problems, changes, and challenges of the future.

One of the results of the Thin[gk]athon was the GreenScore project, as Siegmund says: “We then sat down with the utility company to consider how best to press ahead with the technical proof of concept and the idea.” The breeding ground is NTT Data’s Innovation Acceleration Program. “GreenScore continued to be developed throughout summer 2019. We now have a working application and are just about to conduct an end-to-end field test with around 100 pilot customers.”

The solution is easy to explain: The GreenScore app lets users know when they should be turning on devices like their washing machine or dryer because the wind is strong, meaning there is a lot of green energy in the grid. If they use electricity during these times, they are credited with green energy points that increase their own personal GreenScore. “We are using



elements of gamification to encourage users to participate,” Siegmund explains. In contrast to energy consumption, the golden rule for GreenScore is “the more points, the better”. Customers can then use their credit to lower their own electricity costs or to make donations to charitable organizations in the region, such as kindergartens and social projects – green energy for a good, sustainable cause. Accounting for the donations is where blockchain technology can come into play.



We are using elements of gamification to encourage users to participate.

The obligatory app is, of course, underpinned by a number of IT systems working together. As Siegmund says, this is a complete end-to-end solution, from the meter in the customer’s cellar to the IoT gateway. It transmits consumption profiles and feeds in weather and grid data from the utility company’s backend. For example, meter information is recorded using an optical head that reads the information via the integrated optical interface of modern measuring equipment and transmits it via a LoRaWAN, a star-shaped Long Range Wide Area Network based on a low-power wireless network protocol. The devices communicate with gateways that send the data packets to a server. In turn, the server has interfaces for IoT platforms and applications. “This is a very exciting project that is opening up a number of infrastructural challenges for us,” Siegmund concludes.

One of the keys to success is customers enjoying the added value provided by the app and actively engaging with the topic of energy use. This development is being driven by sustainability and digitalization, while Greta Thunberg and her contemporaries have helped to make energy efficiency and green energy into lifestyle choices for certain parts of the population. Innovation manager Siegmund: “We are encouraging active energy awareness by visualizing consumption and making it more tangible in order to reward sustainable ecological action.” When the wind is strong, the grid fills with green electricity. When the customer turns on their washing machine, their GreenScore increases. “We need to intensify consumption patterns in this respect.” A market survey was conducted midway through the project, and the results give grounds for optimism: “The target group was extremely positive toward the GreenScore model and the underlying concept.”

Siegmund says that the LoRaWAN will be expanded further in 2020 and preparations will be made for the field test, in which up to 100 users will put the system through its paces with real data. “In the long term, we anticipate having between 5,000 and 10,000 customers in the Dresden area as active users of the solution one day.” The application is based on the SAP Cloud Platform (SCP) but has an open architecture. “This allows us to connect various IoT components.” As well as using new technologies like blockchain, smart meters, machine learning and gamification, Siegmund considers the project to be groundbreaking because it covers the entire information chain, from the meter to the backend.

From the perspective of the company’s own business model, GreenScore is more than just an innovative pilot project – it is showing the way forward. After all, the new solution encompasses numerous characteristics of a platform that can be tailored to the requirements of different utility companies with relative ease. “For intelligence, the solution has the potential to advance the way we think about the platform economy and the service portfolio,” says Siegmund, adding that the company would then look at integration into utility companies’

system landscapes, platform operation and consumer support with a view to benefitting from the economies of scale. The team has already achieved an important milestone – and a paradigm shift. “With the GreenScore app, we are providing support for end users for the first time – previously, our customers were all enterprise software experts.”

According to Mark Albrecht, Global Head of Innovation at itelligence, all pioneering projects depend on closing the loop between innovation and the process world. “Without a stable ERP system, innovation is useless for companies – projects of this nature need to be seen from a holistic perspective.” Ultimately, the financial effects of the GreenScore must be reintegrated into the core accounting processes in order for customers to enjoy lower energy costs or a Dresden kindergarten to benefit from a donation. “Only then can we say we have successfully combined app-based gamification, the energy transition, and a good deed.” ■

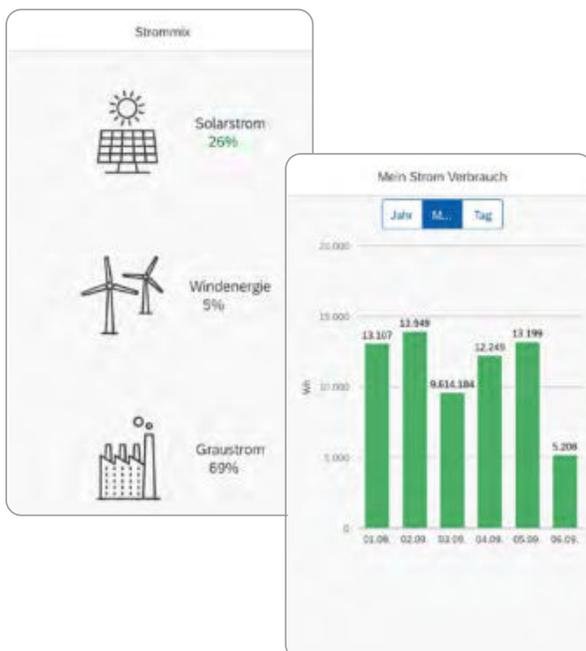
“

With the GreenScore app, we are providing support for end users for the first time – previously, our customers were all enterprise software experts.

GreenScore

The GreenScore project emerged from a competition in cooperation with a regional utility company and SAP. The aim is to encourage electricity customers to use renewable energies. The app shows when a lot of wind, solar and hydropower is available.

Customers who use electricity at these times increase their personal GreenScore. They can then use their “credit” to lower their own costs or to support charitable organizations in the region, such as kindergartens and social projects.



ORDER ALLOCATION IN BLOCKCHAIN

Compromises pay off

LESS TRAFFIC, FEWER CO₂ EMISSIONS, MORE PROFIT – ITELLIGENCE HAS DEVELOPED AN INTELLIGENT SOLUTION THAT CAN REDUCE EMPTY RUNS BY TRUCKS. ORDERS ARE MANAGED VIA BLOCKCHAIN AND APP. SMART PLANNING TOOLS AND AN APPEALING DISPLAY IN THE “TRUCKCHAIN” RESULT IN A MORE SUSTAINABLE AND EFFICIENT TRANSACTION FOR ALL PARTIES.

“

It should be theoretically possible to carry a load on each trip – our TruckChain project was based on this concept.

Environmental protection was on the minds of many consumers and companies before Greta Thunberg – careful use of resources is not only desirable, but also a political goal. According to a European Environment Agency statistic, energy suppliers, industrial firms, farmers, and private households have reduced their CO₂ emissions in the past 30 years, in some cases significantly. There is just one exception: Traffic-related CO₂ emissions have risen by around 25 percent in the same period. Heavy-duty trucks account for approximately a quarter of the greenhouse gases from road traffic – so every trip saved is good for the environment. However, there are pros and cons for haulage contractors: Each trip saved is bad for revenues, and each empty run saved is good for their profit.

As is so often the case, the solution to this dilemma arose in a kitchenette, recalls Charlotte Lindegaard Petersen, a consultant for innovation and technology at itelligence in Denmark. “I was discussing my thesis on blockchain with an existing customer – the company wanted to use the technology to solve a problem, but needed a jump start.” The customer RGS Nordic, one of Scandinavia’s largest recycling firms, treats around 2.5 million tons of waste, construction materials, and contaminated soil as well as 300,000 tons of wastewater. To this end, the trucks of the commissioned haulers cover many thousands of kilometers with no load. “Given the company’s mission to clean the planet and its water for subsequent generations, empty runs serve no purpose,” states Lindegaard Petersen, before adding: “But it should be theoretically possible to carry a load on each trip – our TruckChain project was based on this concept.”

At EU level, some twelve percent of cross-border road freight transport consignments in 2018 involved the use of empty vehicles. The figures for regional empty runs and consignments of construction materials are much higher. While the Scandinavian recycling firm RGS Nordic is chiefly interested in the environmental aspect, the “suppliers” are mainly concerned with payments for loads and productivity. If the truck can complete more full trips in a day, the hauler also earns more money. “If the contractor were to get a full “return trip” at a lower cost, this would be in the interest of both parties,” reasons Lindegaard Petersen.

“

We worked on the transition from paper and telephone to an app.

There were major obstacles, however, to entering the new world, especially in a traditional sector like the transportation industry. With this in mind, the individual parties had to be persuaded to make compromises – shorter response times and slight diversions for trucks, and time buffers in the supply chain for the processing plants. In addition, there was a lack of transparency in the value-added network, no extensive collaboration, and no digital exchange of data between recycling, transportation, and construction firms as well as the drivers. “We worked on the transition from paper and telephone to an app,” says Lindegaard Petersen. The fact that the haulers are in competition with each other made matters harder.

The need for transparency, a cross-company scenario, participants on an equal footing, joint use and processing of data,



reciprocal control, and the desire to eliminate intermediaries – blockchain was the obvious basis for the solution. “The unchangeable nature of the data is just one argument,” reasons Lindegaard Petersen. “Governance of the data is even more important – we call this 'democratization' of technology.” Because of the decentralized approach, there is no dominant entity that holds all the data. “Mutual trust is generated because all those involved are part of the network.”

Compared with the changes to processes and traditions of the transportation industry, technical implementation of the solution proved easier, recalls Tom Saeys, a blockchain expert at itelligence in the global Innovation Technologies team. The Belgian acted as a consultant to the project and examined the blockchain concept, the architecture, and the solution. This is based on the IBM platform HyperLedger and is hosted in the SAP Cloud Platform (SCP). According to Saeys, this helped with implementation: “Blockchain comes as a service, and SAP processes can also be implemented easily using the tools of SAP Leonardo based on SCP as a sort of cockpit.” In the course of implementation, the project team had access to NTT Data's Center of Excellence, a global community of around 300 blockchain experts. “We are constantly exchanging information within the organization,” says Saeys, explaining the internal collaboration.

The fact that blockchain can also reduce consumption of resources and have a positive impact on the environment is surprising given the known application of “Bitcoin”, whose appetite for energy is voracious due to mining as well as the quantity and distribution of transactions to the global hubs of the network. “By contrast, we use a closed network with a central blockchain whose participants require prior permission,” explains Saeys. It is called “Blockchain for Business”. As a result, the need for processing power for validation of transactions and consensus on the integrity of the chain is much

lower than with global blockchain currencies. “Consequently, energy consumption in business blockchains is not an issue.”

The second pillar of the solution is an app for inquiries and bookings from forwarding companies, construction firms, and the waste and wastewater treatment plants. All participants can gain an overview of open and accepted orders here. “The app checks whether the preferred truck type is available nearby and in the stated timeframe,” says Saeys. If this is the case, the order is suggested directly to the driver, who can accept or reject it. If no contract arises, there is an invitation to tender for the load. “We initially expect five percent fewer empty runs, which constitutes a major business advantage on account of the narrow profit margins in the transportation industry.” This in turn leads to a direct decrease in CO₂ emissions.

“TruckChain is also an attractive application for other sectors and use scenarios in which the processes are paper-based and contracts are settled with a handshake,” says blockchain expert Saeys. “Processes can be opened and companies can be connected with this technology.” Applications include the checking of foodstuffs to rule out counterfeiting, tracking of pharmaceutical active substances or spare parts in the automotive and aviation industries, documentation of sensor data and digital twins in the IoT, and, last but not least, in the education sector, where official documents such as degree certificates can be stored in the blockchain. “As soon as digitalized processes and sufficient data are in place, the technology opens up a wealth of opportunities for making the transition to an intelligent organization.” The main thing is not simply to introduce blockchain just for the sake of it – according to Saeys, the decision should always depend on the purpose of the individual use case.

Project manager Charlotte Lindegaard Petersen is already working on concepts to expand the scope of TruckChain. This

includes integration of GPS in order to automate changes to the status of the orders or to optimize routes. Incorporating billing for the consignments directly into the accounting programs of the TruckChain partners is also conceivable. “We are firmly committed to enhancing the solution in conjunction with the industry,” says Lindegaard Petersen. “The fact that partners have ultimately given us very positive feedback after taking a long time to be convinced and making lots of suggestions for improvement is a real boost for us.” ■

“

Mutual trust is generated because all those involved are part of the network.

TruckChain

The aim of the TruckChain project: To reduce the number of empty truck runs to and from construction sites.
The solution: Transparency in the market, equality in the value chain, and mutual trust.

The tools: An app and a blockchain platform on which the truck runs are tendered.

The losers: Analog processes and CO₂ emissions



REPORT OF THE SUPERVISORY BOARD

LADIES AND GENTLEMEN, DEAR FRIENDS OF THE COMPANY,

itelligence AG achieved a special milestone in fiscal year 2019. At EUR 1.038 billion, revenues exceeded the billion-euro barrier for the first time. This corresponds to impressive revenue growth of 12.0%. In terms of earnings, EBITA saw even stronger development than revenues, rising by 23.9% to MEUR 38.4. With a history dating back 30 years and a workforce of around 10,000 employees worldwide, 2019 was a year of particular milestones for itelligence AG. All in all, the Company can look positively to the next decade thanks to its excellent market positioning.

In the 2019 fiscal year, the Supervisory Board performed the tasks allocated to it by law, the Articles of Association and its Rules of Procedure. It regularly advised and monitored the Management Board in its management activities and was involved in all decisions of material importance to the Company immediately and at an early stage. The Supervisory Board also thoroughly examined, extensively discussed and ultimately voted on the reports and proposed resolutions of the Management Board.

In all cases, the reporting by the Management Board met the requirements of the Supervisory Board in full. The Supervisory Board received detailed, timely information from the Management Board in both written and verbal form on the Group's position. There was a particular focus on presenting the development of the net assets, financial position, results of operations, fundamental issues of corporate planning and strategy, the financing and liquidity situation, the risk situation, risk management, compliance requirements and significant transactions. Above and beyond this, the Chairman of the Supervisory Board was regularly informed about current business developments, the medium-term outlook and other key issues. Potential future scenarios and the future focus of the divisions were also discussed with the Management Board. No conflicts of interest arose within the Management Board or the Supervisory Board in the year under review.

The Supervisory Board held a total of five meetings in fiscal year 2019. All the members of the Supervisory Board attended more than half of the meetings of the Supervisory Board. In some cases, Supervisory Board members were connected by video or telephone. Members unable to attend submitted their votes on resolutions in writing.

The Supervisory Board meetings regularly discussed the Company's economic position and development, the financial and liquidity situation, planned investments, the risk situation and risk management, and corporate planning and strategy.

In addition, the meetings in the past fiscal year focused on the following topics and resolutions in particular:

1. Approval and adoption of the single-entity and consolidated financial statements for 2018
2. Commissioning of KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, as auditor for fiscal year 2019
3. Budget definition and budget review for 2019
4. Investments and planned acquisitions
5. Election of new Supervisory Board members and composition of committees
6. Monitoring of the early risk detection system established by the Management Board
7. Management Board matters
8. Oversight of projects in the Finance department and of escalation projects

In fiscal year 2019, the Audit Committee met on March 21, 2019, and December 18, 2019. At these meetings, the Audit Committee intensively discussed the audit of the single-entity and consolidated financial statements, new accounting provisions and their future inclusion in the audit of the Company, matters relating to the planning process and risk management and compliance issues.

The Personnel Committee met on March 21, 2019, and December 18, 2019, to discuss Management Board matters, matters relating to employee development, the integration process for acquired companies and developments in the management team and the management structure.

The Strategy Committee also met on December 18, 2019. It primarily discussed the Company's orientation within the NTT DATA Group, investments, acquisitions, and the optimization and reorganization projects initiated at the Company.

The Annual General Meeting on March 22, 2019, adopted resolutions on the appropriation of the unappropriated surplus, the approval of the actions of the members of the Management Board and the Supervisory Board and the election of the auditor of the single-entity and consolidated financial statements for fiscal year 2019. Furthermore, Koji Miyajima, Director and Chairman of NTT DATA EMEA Ltd., London, was appointed to the Supervisory Board as a shareholder representative at an Extraordinary General Meeting on December 18, 2019. He replaces Benito Vázquez, to whom the Supervisory Board would like to express its heartfelt gratitude for his work and his commitment to the Company.

As in the previous years, the Supervisory Board regularly addressed the adherence to and further development of corporate governance at the Company, and intensively discussed the recommendations and suggestions of the German Corporate Governance Code together with the Management Board in fiscal year 2019. The Management Board and Supervisory Board of itelligence AG identify with the objectives of the German Corporate Governance Code, namely to promote good, trustworthy company management that is oriented towards benefitting shareholders, employees and customers. On December 19, 2019, the Management Board and the Supervisory Board jointly submitted an updated declaration of compliance in accordance with section 161 of the German Stock Corporation Act and made this available on the Company's website.



Friedrich Fleischmann, Chairman of the Supervisory Board

The Annual General Meeting on March 22, 2019, elected KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, as the auditor of the single-entity and consolidated financial statements for fiscal year 2019. KPMG had previously declared to the Chairman of the Supervisory Board that there were no circumstances that could compromise its independence as an auditor. KPMG consequently audited the single-entity financial statements of itelligence AG and the consolidated financial statements and the management reports of itelligence AG and the itelligence Group. As stated in its unqualified audit opinions, these examinations did not give rise to any objections. The dependent company report prepared by the Management

Board was also audited and issued with an unqualified audit opinion by the auditor. The audit opinion is worded as follows:

“Following the completion of our audit in accordance with professional standards, we confirm that

- a. the factual statements made in the report are correct,
- b. the Company’s compensation with respect to the transactions listed in the report was not inappropriately high, and
- c. there are no circumstances that would justify a materially different opinion of the measures listed in the report than that held by the Management Board.”

At its meeting on March 26, 2020, the Audit Committee discussed the single-entity and consolidated financial statements for 2019 and the management reports with the Management Board and the auditors. The relevant documents, including the audit reports, were provided to all of the members of the Audit Committee and the Supervisory Board in good time prior to the meeting. The responsible auditors informed the members of the Audit Committee of the key findings of their audit and answered additional questions. The Committee concluded by recommending that the Supervisory Board approved the financial statements.

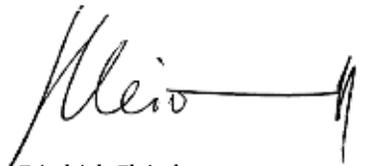
At the meeting of the Supervisory Board to adopt the financial statements on March 27, 2020, the consolidated financial statements and Group management report prepared in accordance with the International Financial Reporting Standards (IFRS), the single-entity financial statements and management report prepared in accordance with the German Commercial Code (HGB), the audit reports and the dependent company report were discussed in detail by the Supervisory Board in the presence of the Management Board and the auditor. The auditor reported on the key findings of its audit and was available to the Supervisory Board to provide additional information and answer questions as necessary.

Based on its own careful examination of the documents relating to the financial statements and the audit reports, the Supervisory Board did not raise any objections and consequently approved the findings of the audit by KPMG. The Supervisory Board thus approved the annual financial statements of itelligence AG and the consolidated financial statements of the itelligence Group prepared by the Management Board for the year ended December 31, 2019. The annual financial statements of itelligence AG have therefore been adopted. Following its own examination, the Supervisory Board also approved the Management Board's proposal on the appropriation of net profit. Based on its own careful examination of the dependent company report and the audit report, the Supervisory Board did not raise any objections to the declaration by the Management Board at the end of the dependent company report and approved the findings of the audit by KPMG.

As the Supervisory Board, we will continue to actively support itelligence AG's strategic focus and course of business in the future. Together with the Management Board, we will therefore make our contribution towards the further positive development of the itelligence Group, which has now lasted more than 30 years. In particular, the Supervisory Board would like to thank all of the employees around the world and the members of the Management Board for their high level of personal commitment and performance in a dynamic and challenging market environment. ■

Bielefeld, March 27, 2020

For the Supervisory Board



Friedrich Fleischmann
Chairman

CORPORATE GOVERNANCE REPORT 2019

The Management Board and the Supervisory Board of itelligence AG attach great importance to corporate governance. We believe that responsible company management is the only way to increase enterprise value sustainably in the long term. Accordingly, both bodies are committed to the principles of the German Corporate Governance Code. The implementation of these principles is intended to stabilize the trust of customers, employees, and the public in the company at a high level. The Management Board and the Supervisory Board therefore largely complied with the recommendations of the Code again in fiscal year 2019.

Both bodies addressed corporate governance topics on several occasions during the past fiscal year and jointly submitted a revised declaration of compliance in accordance with section 161 of the German Stock Corporation Act (AktG) on December 19, 2019. In this declaration, as in the previous year, itelligence AG continues to comply with the majority of the principles set out in the current and applicable version of the German Corporate Governance Code as of December 2019, dated February 7, 2017, and deviates from these principles only where it has good cause on account of its size, structure, or other company-specific factors. The declaration is published on the company's website. The new version of the German Corporate Governance Code dated December 16, 2019, which came into force on March 20, 2020, will apply only to future declarations of compliance.

MANAGEMENT BOARD AND SUPERVISORY BOARD

As a German stock corporation, itelligence AG has a two-tier management and supervisory structure in the form of its Board of Management and Supervisory Board. The Board of Management is responsible for managing the company. The Supervisory Board monitors the Management Board and is responsible for appointing and dismissing Management Board members. These two bodies of itelligence AG have always worked together in a trustful and efficient manner.

In fiscal year 2019, the Management Board regularly, promptly, and comprehensively informed the Supervisory Board on all material aspects of planning, business development, and the position of the Group by way of written and verbal reports. This involved a particular focus on the risk situation, risk management, and compliance. Transactions of material importance require the approval of the Supervisory Board.

The Management Board of itelligence AG had two members in 2019: Norbert Rotter (CEO) and Dr. Michael Dorin (CFO; until April 30, 2019). From May 1, 2019, Norbert Rotter managed the company as the sole Management Board member. There were no conflicts of interest within the Management Board in 2019. Jürgen Pürzer has been the new CFO of itelligence AG since March 1, 2020.

The Supervisory Board of itelligence AG advises and monitors the Management Board in its management of the company and is of the opinion that it has a sufficient number of independent members. The Supervisory Board ensures that its composition takes into account the principles expressed in the Code concerning diversity and appropriateness with regard to the geographical, industry-specific, and other material requirements of the company. As in previous years, the Supervisory Board formed an Audit Committee, a Personnel Committee, and a Strategy Committee from among its members in 2019. There were no conflicts of interest within the Supervisory Board in 2019.

Details of the remuneration paid to the members of the Management Board and Supervisory Board can be found in the notes to the annual financial statements and in the management report.

Further information on the cooperation between the Management Board and the Supervisory Board and the work of the Supervisory Board and its committees can be found in the report of the Supervisory Board in this annual report.

SHAREHOLDER STRUCTURE AND ANNUAL GENERAL MEETING

NTT DATA EUROPE GmbH & Co. KG is the sole shareholder of itelligence AG. itelligence AG therefore does not hold public General Meetings.

TRANSPARENCY

itelligence AG has been providing timely, comprehensive, and detailed information for many years. The company's website – www.itelligencegroup.com – is the central communication instrument and is available in various languages, reflecting the company's international activities.

ACCOUNTING AND AUDITING

The Management Board prepares consolidated financial statements for the full-year and condensed consolidated financial statements for the half-year reports. Group financial reporting is consistent with the International Financial Reporting Standards (IFRS), thus ensuring a high degree of transparency and international comparability. The audit for fiscal year 2019 was conducted by the auditor chosen by the Annual General Meeting following the proposal of the Supervisory Board and the recommendation of the Audit Committee, namely KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin.

In accordance with Article 161 of the Aktiengesetz (German Stock Corporation Act), the management and supervisory boards of listed companies are obliged to issue an annual declaration stating whether the recommendations of the Government Commission on the German Corporate Governance Code, as published by the German Federal Ministry of Justice in the official section of the Bundesanzeiger (Federal Gazette), have been and are being complied with or which of the Code's recommendations have not been or are not being applied.

DECLARATION BY THE BOARD OF MANAGEMENT AND SUPERVISORY BOARD OF ITELLIGENCE AG ON THE GERMAN CORPORATE GOVERNANCE CODE

Although the shares in itelligence AG (itelligence shares) are no longer listed, the Board of Management and Supervisory Board of itelligence AG identify with the objectives of the German Corporate Governance Code, namely to promote good, trustworthy company management that is oriented towards benefitting shareholders, employees and customers. The aim of itelligence AG is to achieve a sustainable increase in enterprise value. Accordingly, the Board of Management and Supervisory Board of itelligence AG endorse the recommendations and provisions of the German Corporate Governance Code and decided to issue an annual declaration on the German Corporate Governance Code, although the listing of the itelligence shares ended in the fiscal year 2013.

itelligence AG acted in accordance with the recommendations of the German Corporate Governance Code throughout the 2019 financial year and will continue to do so in future based on the version of the German Corporate Governance Code last amended on February 7, 2017, on which this declaration is based. itelligence AG departed from the recommendations of the German Corporate Governance Code in some aspects. Details of the individual departures are provided below. With regard to the following declaration, it should be taken into account that, after implementation of the squeeze-out in the fiscal year 2013, NTT DATA EUROPE GmbH & Co. KG meanwhile holds all shares in itelligence AG and, in connection therewith, the listing of itelligence shares has ended.

Therefore, itelligence AG will no longer conduct a public General Meeting and the statutory provisions for listed stock corporations no longer apply to itelligence AG.

The following recommendations of the German Corporate Governance Code have not been implemented:

SECTION 4.2.3, PARA. 4: SEVERANCE PAY CAP

“In concluding Management Board contracts, care shall be taken to ensure that payments made to a Management Board member on premature termination of his/her contract, including fringe benefits, do not exceed the value of two years’ compensation (severance pay cap) and compensate no more than the remaining term of the employment contract.”

After the listing of the itelligence shares has ended, the contracts of the members of the Board of Management no longer provide for a severance pay cap. The Company is convinced that the Supervisory Board will negotiate an adequate severance payment with a Management Board member in case of a premature termination.

SECTION 4.2.4 AND 4.2.5 PARA. 3 AND 4: DISCLOSURE OF THE COMPENSATION OF MANAGEMENT BOARD MEMBERS IN THE COMPENSATION REPORT

“The total compensation for a Management Board member shall be disclosed by name, divided by fixed and variable compensation elements. The same applies for commitments to benefits which are granted to a Management Board member in case of premature or regular termination of work as a Management Board member or which have been amended during the fiscal year.

In addition, for each Management Board member, the compensation report shall present:

- the benefits granted for the year under review including the fringe benefits, and including the maximum and minimum achievable compensation for variable compensation components,

- the allocation of fixed compensation, short-term variable compensation and long-term variable compensation in/for the year under review, broken down into the relevant reference years,
- for pension provisions and other benefits, the service cost in/for the year under review.

The model tables provided in the appendix shall be used to present this information.”

In the past, itelligence AG has disclosed the individual compensation of the members of the Board of Management in accordance with section 4.2.4 and section 4.2.5 paragraph 1 and 2 for each member of the Board of Management in a compensation report which was part of the Management Report. itelligence AG intends to continue to do so in the future. According to the German Corporate Governance Code, the additional requirements of section 4.2.5 paragraph 3 and 4 as well as the model tables provided in the appendix to the Code shall apply as of the financial year 2014. The Code regulates in detail how the information on the individual compensation of each of the members of the Board of Management shall be presented in the compensation report and how this information shall be illustrated in the model tables. In order to ensure the comparability with past reports and to limit the effort in connection with the reporting on the compensation of members of the Board of Management, the Management Board and Supervisory Board intend to continue to disclose the compensation of the members of the Board of Management in line with past practice. As a result, the requirements of section 4.2.5, paragraph 3 and 4, are not fully complied with.

SECTION 5.1.2: AGE LIMIT FOR MEMBERS OF THE BOARD OF MANAGEMENT

“An age limit for members of the Management Board shall be specified.”

An age limit has not been included in the contracts of members of the Board of Management in the past, nor does itelligence AG plan to implement such an age limit in the current or future contracts of members of the Board of Management.

Contracts with members of the Board of Management are always concluded for a limited term. The age of the respective member of the Board of Management will be taken into account by the Supervisory Board to a sufficient extent when determining the term of the contract. This makes the specification of an age limit in the respective contract unnecessary.

SECTION 5.3.3: FORMATION OF A NOMINATION COMMITTEE WITHIN THE SUPERVISORY BOARD

“The Supervisory Board shall form a nomination committee composed exclusively of shareholder representatives which proposes suitable candidates to the Supervisory Board for recommendation to the General Meeting.”

intelligence AG has not formed a nomination committee and does not intend to do so in future.

intelligence AG does not consider a nomination committee to be necessary on account of the size of its Supervisory Board.

SECTION 5.4.1: SPECIFICATION OF CONCRETE OBJECTIVES REGARDING THE COMPOSITION OF THE SUPERVISORY BOARD AND WORKING OUT A PROFILE OF SKILLS AND EXPERTISE FOR THE ENTIRE BOARD

“The Supervisory Board shall specify concrete objectives regarding its composition and shall prepare a profile of skills and expertise for the entire board. For its composition, whilst considering the specifics of the enterprise, it should give appropriate consideration to the international activities of the enterprise, potential conflicts of interest, the number of independent Supervisory Board members within the meaning of number 5.4.2, an age limit to be specified and a regular limit of length of membership to be specified for the members of the Supervisory Board as well as diversity. The particular provisions of the acts on co-determination are to be observed for the chosen employee representatives.

In listed companies for which the Co-determination Act, the Co-determination Act for the Iron and Steel Industry or the Co-determination Extension Act apply, the Supervisory Board shall comprise at least 30% women and at least 30% men. In other companies covered by the Equality Act the Supervisory Board shall determine targets for the proportion of women.

Recommendations by the Supervisory Board to the competent election bodies shall take these objectives into account and at the same time strive to fill the competence profile for the full body. The status of the implementation shall be published in the Corporate Governance Report. It shall also provide information about what the Supervisory Board considers the appropriate number of independent members of shareholders and the names of these members.

For its proposals for the selection of new members of the Supervisory Board to the General Meeting, the Supervisory Board shall make sure that the particular candidate can afford the expected time expenditure. The candidate proposal should have a CV attached, which provides information about relevant knowledge, skills and experience; this should be supplemented by an overview of the essential activities alongside the Supervisory Board mandate and published with updates annually for all members of the Supervisory Board on the company’s website.”

From the Company’s perspective, the composition of the Supervisory Board complies with the requirements of the German Corporate Governance Code, particularly with regard to the number of independent Supervisory Board members and the aspect of diversity. The aforementioned objectives will be formally taken into account in future proposals for election. Concrete objectives and a regular limit of length of membership are not specified. No profile of skills and expertise will be worked out for the entire Board. Hence, there will be no publication of the objective and the state of implementation as well as the Supervisory Board’s estimate of an appropriate number of independent members of shareholders and the names of these members in the Corporate Governance Report.

A specification and publication of concrete objectives and their periodical amendment as well as working out a profile of skills and expertise for the entire Board would create a significant effort, which is not justified on account of the shareholder structure and size of the Company and the Supervisory Board. The Company complies with the statutory regulations regarding the determination of a target proportion of women in the Supervisory Board and the reporting thereon in the Management Report. Since no more public General Meetings are carried out by itelligence AG, the election proposals and CVs of the candidates will not be published separately.

SECTION 6.2: TRANSPARENCY AND FINANCIAL CALENDAR; SECTION 7.1.1 AND 7.1.2: FINANCIAL REPORTING AND AUDITING

Section 6.2 "Within the framework of ongoing public relations work, the dates of publications of the Annual Reports and interim financial information as well as the General Meeting, of financial statement press and analysts' conferences shall be published in a 'financial calendar' sufficient time in advance on the company's website."

Section 7.1.1 "Shareholders and third parties shall be informed by the consolidated financial statement and the group management report as well as the interim financial information. If the company is not obligated to publish quarterly communications, it shall inform the shareholders during the year alongside the half-year financial report about essential changes to the business developments as well as the risk situation in a suitable form."

Section 7.1.2 "The consolidated financial statement and the group management report shall be drawn up by the Board of Management and audited by the annual auditor as well as the Supervisory Board. The Board of Management shall discuss the interim financial information with the Supervisory Board or its audit committee before publication. The consolidated financial statement and the group management report shall be made accessible to the public within 90 days after the end of the financial year, the obligatory interim financial information within 45 days after the end of the reporting period."

itelligence AG does not publish a "financial calendar" and does not conduct financial statement press and analysts' conferences. As all shares in itelligence AG are held by NTT DATA EUROPE GmbH & Co. KG, dates of the General Meeting are not published either. The public will be informed about the course of business of itelligence AG through the annual report, the half-year report and press releases. Press releases are published on the itelligence AG website. itelligence AG no longer publishes quarterly reports or interim reports. itelligence AG no longer publishes other interim financial reports such as ad-hoc notifications. The company's website is the central communication instrument. Since no interim financial information will be published alongside the half-year report, any discussion of the same with the Supervisory Board or the Audit Committee shall also not take place before publication. ■

Bielefeld, December 19, 2019
itelligence AG



For the Board of Management
Nobert Rotter

For the Supervisory Board
Friedrich Fleischmann

GROUP MANAGEMENT REPORT

FOR FISCAL YEAR 2019*

→ KEY FIGURES FOR FISCAL YEAR 2019

ITELLIGENCE EXCEEDS THE BILLION-EURO THRESHOLD: CONSOLIDATED REVENUES RISE BY +12.0% TO BEUR 1.038

- Organic growth stands at +8.2%
- Revenues up by 3.8% as a result of acquisitions
- Revenue distribution: 57.5% outside Germany, 42.5% within Germany

EBITA INCREASED BY 23.9% TO MEUR 38.4 AFTER MEUR 31.0 IN THE PREVIOUS YEAR. EBIT AMOUNTS TO MEUR 28.6 AFTER MEUR 20.8 IN THE PREVIOUS YEAR

- EBITA margin for 2019 as a whole amounts to 3.7% (previous year: 3.3%)
- EBIT margin for 2019 as a whole amounts to 2.8% (previous year: 2.2%)

ORDERS ON HAND ALSO INCREASE TO OVER BEUR 1

- Orders on hand up by 4.9%, from MEUR 982.1 at the end of 2018 to BEUR 1.03 on December 31, 2019
- Non-current orders on hand account for MEUR 255.3 (previous year: MEUR 181.9)

NUMBER OF EMPLOYEES UP BY +19.7% AT 9,459 AS AT THE END OF THE REPORTING PERIOD (PREVIOUS YEAR: 7,904)

- Addition of 781 employees through new appointments and a further 774 employees through acquisitions
- Integration of the acquisitions in the UK, Brazil, and Sweden has got off to a successful start

ORIGINAL FORECAST FOR 2020 AS A WHOLE

- Revenue growth to between BEUR 1.12 and BEUR 1.13 expected still
- itelligence aims for continued organic and inorganic growth
- Improvement in EBITDA margin to around 5%
- itelligence will continue to pursue an investment and innovation program of MEUR 20 in 2020 to sustainably increase its profitability
- As a result of the coronavirus pandemic, it will no longer be possible to achieve the original revenues and earnings forecast. Overall, the Management Board anticipates declining revenues and earnings compared with the previous year

BASIC INFORMATION ON THE ITELLIGENCE GROUP

BUSINESS ACTIVITIES

itelligence AG was formed in 1989 as an SAP consulting company and acts as a leading international full-service IT provider and partner of SAP SE. The main target group of itelligence AG is customers in the traditional and upper mid-market with a strong international presence. Today, itelligence operates at 89 locations in 26 countries, supporting more than 6,000 customers. itelligence focuses on the sale of usage rights for SAP software solutions for mid-market companies and SAP consulting. In addition, itelligence offers SAP maintenance as well as global support and hosting services. These strategically important areas also make a substantial contribution to revenues.

itelligence has used its extensive industry and IT expertise to preconfigure various industry solutions for the more efficient implementation of SAP in Germany and abroad. Key sectors addressed by the Group include manufacturing and the automotive supply industry, mechanical and plant engineering, steel and non-ferrous metal companies, the wood and furniture industry, food processing, the process and pharmaceutical sector, the service industry, retail, and expertise in the area of educational institutions. itelligence is also driving ahead digitalization and the industry-specific integration of mobile and analytical solutions.

ORGANIZATION

itelligence has a regional focus and is represented by subsidiaries with local sales and consulting teams in the following regions: D-A-CH (Germany, Austria and Switzerland), Western Europe (Spain, France, Belgium, Netherlands, United Kingdom, Ireland), Northern and Eastern Europe (Denmark, Norway, Sweden, Russia, Ukraine, Poland, Czech Republic, Hungary, Slovakia, Turkey), America (USA, Canada, Brazil, India, Qatar), and Asia (China, Malaysia, Thailand, Australia).

Including the acquired companies, the organizational structure of the itelligence Group encompasses a total of 57 subsidiaries around the world. The largest subsidiaries are located in Germany, the USA, India, Brazil, Switzerland, the United Kingdom, Denmark, and Turkey. itelligence AG is domiciled at its head office in Bielefeld. itelligence AG is a wholly-owned subsidiary of NTT DATA EUROPE GmbH & Co. KG.

The Global Managed Services business unit operates globally via a matrix organization in order to meet the requirements of local and international customers for a scalable, cost-efficient, and innovative range of services in this segment in the best possible way. itelligence provides managed cloud and application management services for more than 4,000 customers of all sizes

from seven global off-shore and near-shore centers with local front ends in 26 countries. As a leading managed cloud services provider focusing on SAP, itelligence operates state-of-the-art data centers in Germany, Poland, Malaysia, Denmark, Switzerland, and the USA, and works closely with the leading IaaS (infrastructure-as-a-service) hyperscalers. Intensive collaboration with affiliates of the NTT Group complements the geographical and portfolio-based structure.

With its international Sales & Operations, focused on international business, itelligence has a uniform, consistent global presence. This unit networks the various internal competence centers and develops and drives ahead global projects and initiatives. It is also focused on the development of a specific methodology for international projects based on the rollout of sector-specific solutions.

GROWTH STRATEGIES

itelligence's success is based on a clear corporate strategy and its systematic implementation and continuous further development. itelligence ensures sustainable, partnership-based relationships with its customers and assumes responsibility for the success of the IT projects initiated.

As itelligence's customers are faced with intensive global competition and must constantly adjust to an extremely dynamic environment, continuous improvements to internal structures and the value chain are strategically important. itelligence sees itself as a strategic partner for SMEs and large corporations worldwide that supports its customers in these challenges with innovative IT solutions and services. This particularly includes actively shaping the constantly rapid advancement of digital technology and ensuring greater efficiency and transparency in customers' workflows.

Growth strategies are the cornerstone of itelligence's long-term focus. itelligence systematically updates its strategy together with the NTT DATA Group in three-year cycles. The current strategy cycle covers the years 2019-2022. Compared to the previous strategy cycle, itelligence is particularly focusing on further globalization and scaling of the successful business model, growth in the major customer environment, and enhancement of the value proposition for its customers with targeted process and portfolio innovation.

This includes:

- Stepping up business activities with major international customers that generate high revenues
- Strengthening our global capabilities and delivery organization for application management, managed cloud services, and field consulting
- Targeted expansion of local market presence through acquisitions and expansion to growth markets
- Strategic positioning as an SAP service provider in NTT DATA's international network and within the NTT Group
- Investments in IT innovations and their implementation as customer offerings
- Expansion of general business with the new, digital SAP portfolio for smart enterprises
- Reinforcement and expansion of global knowledge management
- Investment in quality improvements and project management
- Becoming an even more attractive employer in the SAP environment
- Sustainable improvement in profitability to ensure continued growth

MANAGEMENT SYSTEM

To manage its operating business, the itelligence Group uses selected financial and non-financial key figures that are consolidated into central performance indicators at Group level. These are presented under "Financial and non-financial performance indicators" (page 85 onwards).

ANNUAL AND MULTI-YEAR PLANNING FOR ALL REGIONS AND DIVISIONS

All management and control processes at itelligence are underpinned by an established planning process. Building on strategic multi-year planning, the Management Board manages the itelligence Group's long-term focus and derives annual operating targets applying a top-down approach. The annual plans developed at the level of the national subsidiaries are then coordinated with the overall targets. The results of planning are then compared with rolling forecasts on a quarterly basis in order to identify deviations. In addition, target and actual figures are compared on a monthly basis and provided as management information so that deviations from the agreed targets can be identified at an early stage and corresponding measures aimed at ensuring target achievement can be initiated in good time.

MARKET POSITIONING

itelligence has an excellent position as one of the leading international full-service IT providers for the SAP environment, particularly in the traditional and upper mid-market segment. itelligence provides its customers with a coordinated range of solutions and services over the entire lifecycle of an IT investment. The company's portfolio has been continuously enhanced

over the past years and now consists of consulting, development, and system integration in the SAP environment, sale of SAP licenses and cloud subscriptions as well as managed services. itelligence offers these products and services around the world. Alongside Germany, itelligence has a long-established market presence in Western Europe, Eastern Europe, America, and Asia. itelligence will also continue to build up this extremely strong market position through both organic growth and targeted acquisitions.

ACQUISITIONS

itelligence recorded further growth in fiscal year 2019, both organically and through acquisitions. Consequently, itelligence is systematically continuing its expansion strategy of recent years with additional purchases and thus extending its range of services in a targeted manner. With the acquisitions made, itelligence is pursuing its strategic objective of being one of the leading SAP partners in each of its key sales markets and further consolidating this position.

itelligence UK acquires majority interest in SAP partners Weaveability Ltd. and Weaveability Hosting Ltd.

In April 2019, itelligence UK and Weaveability Ltd. announced that itelligence UK had acquired majority interests in the two companies Weaveability Ltd. and Weaveability Hosting Ltd., both of which are based in Bury, Greater Manchester. With this acquisition, itelligence is expanding its CRM and e-commerce capabilities and strengthening its market position in the UK.

Weaveability was established in 2009 and has positioned itself as a key partner in the SAP Digital Engagement and e-commerce environment. The company works with SAP Customer Experience Solutions, SAP C/4HANA, SAP Commerce Cloud (Hybris), and SAP ERP. In addition, Weaveability has developed a range of complementary solutions to the core SAP e-commerce components in a portfolio called Omnia. Weaveability provides a range of services to its customers including consulting, application management, hosting, licensing, and maintenance. The main sectors it serves are retail, wholesale, distribution, supply, and consumer goods.

Acquisition of 85% equity investment in NTT DATA Business Solutions Australia

By shareholder resolution of September 18, 2019, 85% of the equity investment in NTT DATA Business Solutions APAC Pty. Ltd., Brisbane, Australia, and NTT DATA Business Solutions Australia Pty. Ltd. Brisbane, Australia, were transferred to itelligence AG. The transfer took place as part of a capital increase. 15% of the shares are still held by NTT DATA Asia Pacific, Singapore.

itelligence AG acquires majority stake in Fachin & Hauuagge Incorporacoes E Participacoes S.A. Sao Paulo, Brazil (FH Group)

In December 2019, itelligence AG acquired a majority interest in the FH Group in Brazil for the purposes of entering the Brazilian market. Formed in 1999, FH is one of the leading SAP consulting and development companies in Brazil. Its SAP-based tax solution is used by companies that together account for more than 8% of Brazil's gross national product. The company also has an excellent market position on a global level. FH is the leading provider for SAP's Customer Experience portfolio in Latin America and has implemented many successful SAP rollout projects in more than 30 countries.

With this acquisition, the itelligence Group is expanding its presence in one of the fastest growing economic regions in the world. IDC and Gartner rank Brazil as the eighth biggest IT market internationally. According to market analysts, it grew by 9.8% in 2018 and significant growth above the global average rate is expected for the period up to 2024.

Due to increased legal conditions for corporate transparency and compliance, there is high demand for ERP software and financial management solutions in particular in Latin America's biggest economy. Both partners also see major growth potential in the areas of marketing, CRM, e-commerce, and IoT (Internet of Things) solutions.

PARTNERSHIPS

Partnerships are central to itelligence's business model. With more than 6,000 customers around the world, the company seeks long-term relationships that are trust-based and profitable for both parties. Other long-standing partnerships also serve to provide a solid basis for the company's long-term success.

SAP partnership

itelligence AG is a partner of SAP, whose products form the core of its service portfolio along with the related services. itelligence regularly demonstrates its importance within the SAP partner environment by winning various awards and obtaining the most important partner status titles that SAP currently confers to strategic partners. The most important awards include SAP Global Platinum Reseller (formerly SAP Global Value Added Reseller), SAP Global Strategic Services Partner, and Global SAP-Certified Provider of Hosting Services. itelligence is one of a select group of only nine SAP partners worldwide that are certified for these three global categories. In addition, itelligence is still an SAP Global AMS Partner and SAP Global Cloud Services Partner.

One particular highlight in 2019 was that itelligence won the SAP Pinnacle Award 2019 in the category of SAP Global Platinum Reseller of the Year – and was thus recognized for its outstanding achievements as an SAP partner. itelligence also reached the final round in four other categories: as General Business Cloud Partner of the Year, SAP SuccessFactors Partner of the Year – Small and Midsize Companies, SAP S/4HANA Movement Partner of the Year, and in the Industry Innovation Award category.

With these annual awards, SAP recognizes partners that have rendered outstanding service to the development and expansion of their collaboration with SAP and help customers realize their full potential. Based on suggestions by SAP employees, customer feedback, and various key performance indicators, finalists and award winners were chosen in 30 different categories.

itelligence has been one of SAP's closest and most successful partners for 30 years. itelligence brings together innovative SAP software and technologies with services and in-house products for the transformation of IT landscapes and business processes, combining local presence and global capabilities with extensive industry expertise. itelligence acts to create new things together with its customers and to enable innovations through the use of IT – and it does so across all business areas. Thousands of satisfied companies trust in this, in some cases ever since itelligence was founded 30 years ago. The many awards continuously conferred by SAP show that itelligence makes an important contribution to innovation and the long-term business success of its customers.

In May 2019, itelligence won the SAP Innovation Award in the “Process Innovator” category with a project involving the use of drones and image recognition for the purposes of environmental protection. This award recognizes companies that act innovatively and successfully in the digital economy with SAP technologies.

The SAP Innovation Award was conferred for the sixth time this year. The jury received 233 submissions from 37 countries and 25 industrial sectors. A total of 81 projects made it into the finals, in which the winners in the six categories were chosen.

The itelligence project for environmental protection was implemented by itelligence Denmark, itelligence Innovation Technologies, and NTT DATA Japan.

NTT DATA

The long-standing partnership with the Japanese NTT DATA Group is the strategic basis for itelligence to keep on significantly expanding its own international market position. itelligence AG is a wholly-owned subsidiary of NTT DATA EUROPE GmbH & Co. KG. This relationship under company law forms the basis for a tightly-knit partnership within the framework of a cooperation agreement.

With NTT DATA as a strong partner, itelligence intends to press ahead with its development as an international provider of IT systems and services for SAP. As a company that operates independently within the growth-oriented NTT DATA Group, itelligence can steadily increase its growth potential on the international stage, particularly in Asia, through its close relationship with NTT DATA. NTT DATA is also an extremely strong partner for itelligence in terms of its financial and capital resources. A number of joint international customer projects serve to underline the successful partnership between NTT DATA and itelligence.

NTT DATA Deutschland GmbH and itelligence AG again achieved fifth place in the "Lünendonk List 2019" with their joint rating. Lünendonk & Hossenfelder GmbH has been rating the best German service providers for over 20 years, publishing the results annually. Both companies already occupied fifth place in the Lünendonk List back in 2017 and 2018.

Other partnerships and awards

In its strategic alliance with Microsoft, itelligence reached the important partner level in 2019 for more joint customer business, especially with a new range of SAP on Azure global managed services. As an international Microsoft cloud solution provider direct reseller with cloud platform "Gold" competency, itelligence offers its customers cloud consulting, migration services, and operational services with flexible licensing, maintenance, and billing models. As part of its long-term strategic partnership with Microsoft, itelligence develops and operates enterprise-critical business applications and processes.

From planning to migration to administration, itelligence combines SAP applications with flexibly scalable and secure modern multi-cloud infrastructure that offers high availability in accordance with the latest data protection requirements. Requirements-based use of the Azure cloud platform's computing power will help SAP users reduce their IT infrastructure costs and facilitate transformation projects. Integrating modern workplace, AI, and IoT solutions, itelligence helps its customers use the right mix of SAP and Microsoft platforms for their specific IT environment and their business requirements. itelligence supports its customers' digital transformation with targeted integration and reliable operation.

itelligence also maintains a number of other technology partnerships with the aim of expanding its own expertise and solutions portfolio. The objective of these partnerships is to meet the needs of existing itelligence customers even more effectively by offering additional services and complementary solutions, as well as acquiring new customers through technology issues, SAP industry solutions, and partner recommendations. itelligence achieves this by way of joint customer information days, trade fairs, advertising on partner portals, and marketing campaigns.



Employees by segment

Page 78

EMPLOYEES

We had 9,459 employees as of December 31, 2019 (previous year: 7,904), of whom 3,378 were employed in Germany (previous year: 3,152) and 6,081 outside Germany (previous year: 4,752). Headcount was therefore up by 19.7% year-on-year.

The share of female employees rose to 25.2% in 2019 (24.7% in 2018). The average age worldwide fell from 37.8 years to 37.6 years.

RECRUITMENT

One key factor behind the increase in employees was strong organic growth. Overall, a positive trend emerged in recruitment at the national entities, with a total of 65,000 applications received worldwide. This is 32% more than in the previous year.

For our employees and for HR work, the year 2019 was characterized by the structural, digital transformation, which itelligence HR supported strategically with organizational development measures.

Four key HR topics in this context were:

- the global launch of an SAP SuccessFactors solution on schedule and within budget
- the establishment of proactive diversity management
- the development of a strategic, future-oriented skills model
- discussion of a management culture for the “new world of work” in our organization

Depending on the respective situation, the launch of **SuccessFactors** with its different modules and for all of our countries will in some cases take place very quickly but in other cases on a step-by-step basis to ensure that processes run as smoothly as possible. The entire launch will be implemented with in-house experts working together globally.

With regard to the topic of **diversity**, itelligence is collaborating closely with representatives from the Business Women Network in Germany. There has been a clear evolution in the topic of diversity, from the original focus on the situation for female employees to a broader framework that also encompasses a family-friendly culture, for example. Offers to all employees have been significantly expanded by way of cooperation with external partners. The name of the initiative has consequently been changed to the more inclusive “Diversity@itelligence” since 2019.

The strategic **skills** that itelligence will need in the “new world of work,” a digital world with new generations of itelligence employees, was discussed internally in 2019 and integrated in a new skills model. itelligence actively reflected these skills within and outside the itelligence organization in an extensive process involving almost 200 people and finally consolidated



Employee development

Page 78

them in a simple, three-part model. In the future, there will be skills that itelligence will continuously enhance. These will particularly strengthen itelligence's corporate culture. There will also be sets of strategic skills that are particularly relevant depending on the employee's position within the organization (professionals/management/executives).

itelligence's **management culture** will also change significantly in the future to meet the requirements associated with the digital transformation. In keeping with the motto "Don't hold speeches, have conversations," itelligence initiated a series of discussions with employees of the CyNergy network, managing directors from various countries, and other executives in 2019. Management and innovation were also topics in our global talent and high potential community known as delta ('develop expert and leadership talents'), for example at the Innovation Day during the traditional delta Summer Workshop in Berlin.

itelligence expects to continue these activities and keep stepping up the transformation within the organization in 2020.

ECONOMIC REPORT

GENERAL ECONOMIC SITUATION IN 2019

As a wholly-owned subsidiary of NTT DATA, itelligence AG is positioned globally. It supports more than 6,000 customers at 89 locations in 26 countries around the world. Because of this international orientation, global economic developments and the resultant investment decisions of customers have a significant impact on the performance of itelligence AG.

According to calculations by the International Monetary Fund (IMF), the global economy grew at a rate of 2.9% in 2019, representing a fairly significant slowdown as compared to the 3.7% increase in global gross domestic product (GDP) in the previous year. Economic momentum declined over the course of the year, especially in Asia and Europe. In this respect, it is apparent that a long economic upturn that started at the end of the 2008 financial crisis is now coming to an end. In addition to the ongoing trade dispute between the USA and China, macroeconomic development over the course of 2019 was also negatively impacted by the UK's decision to leave the EU and by a considerable slowdown of the global automotive industry.

After GDP growth of 2.4% in 2017, the growth rate in the euro zone fell to 1.8% in 2018 and decreased significantly again in 2019. The European Commission now anticipates growth of 1.1%. The same applies to the German economy. After several boom years, Europe's biggest economy entered a weak phase in 2019, partly due to international trade conflicts and the resulting uncertainty among companies. This particularly impacted the export-oriented German industry. On top of this, there was structural change in the automotive industry.

Consumers' strong propensity to buy and the construction boom kept the German economy from coming to a halt. Private consumer spending accounts for more than 52% of economic output. Overall, the German economy grew only moderately by 0.6%.

In 2019, itelligence generated 58.8% of its consolidated revenues in euro zone countries after 50.5% in the previous year.

The US economy posted considerably stronger growth than Europe – albeit with signs of letting up after a ten-year upturn and a tax-related boost – with a growth rate of 2.3% (previous year: 2.9%). Private consumer spending as a pillar of the American economy also kept pace with an increase of more than 4.0%. However, exports saw a significant drop of around 5.0% and corporate investments also decreased by 0.6%.

itelligence generated 13.2% (previous year: 12.5%) of its consolidated revenues in the USA and Canada.

Turkey was beset by considerable domestic and economic political upheaval again in 2019. The armed conflicts at the Turkish-Syrian border are escalating significantly again. Overall, risk potential in Turkey has increased significantly.

itelligence generated 5.0% (previous year: 4.6%) of its consolidated revenues in Turkey in 2019.

The Chinese government is officially aiming for economic growth of more than 6%, with a rate of 6.1% actually being achieved. This is the lowest growth rate in almost 30 years. The Chinese economy suffered as a result of the trade conflict with the USA and increased customs duties. On the other hand, this was countered with high government investment in infrastructure and active monetary policy.

China accounted for only a small share of itelligence AG's revenues at 0.8% (previous year: 0.9%).

Although itelligence AG does not generate any direct revenues in Japan, the Japanese economy is hugely important to the company on account of its membership of the NTT DATA Group. Customer relationships are in place with Japanese groups, both directly and via affiliates. As in Europe, the pace of economic growth also slowed in Japan in the reporting year. GDP growth fell again from 0.9% in 2018 to -0.2% in 2019.

SECTOR DEVELOPMENT IN 2019

Global IT spending including infrastructure spending grew only slightly by 0.4% in 2019, which was well below the general economic growth rate of 2.9%. However, spending on enterprise software increased significantly by 8.8% and spending on IT services was up by 3.7%. Gartner estimates the addressable market for SAP software at USD 266.5 billion in 2019, with growth potential of 8.4% for the years from 2018 to 2022.

BUSINESS DEVELOPMENT AND ECONOMIC POSITION

The following table presents the changes in revenues in the segments and revenue areas compared with the corresponding prior-year figures and the Group's earnings development:

ITELLIGENCE AT A GLANCE	Jan. 1 – Dec. 31,	Jan. 1 – Dec. 31,	Oct. 1 – Dec. 31,	Oct. 1 – Dec. 31,
MEUR	2019	2018	2019	2018
Total revenues	1,038.2	926.6	285.7	263.2
Revenue division				
Consulting	453.0	389.1	121.1	108.1
Licenses	67.3	81.6	26.0	35.7
Cloud Subscription	27.3	19.7	7.7	5.1
Managed Services	482.4	431.6	127.5	112.6
Other	8.2	4.6	3.4	1.7
Revenue segment				
Germany/Austria/Switzerland (DACH)	474.7	444.1	124.0	126.9
Western Europe	162.7	131.7	45.7	36.6
North and Eastern Europe (NEE)	195.1	184.6	53.2	52.7
America	174.7	141.9	51.6	40.3
Asia	23.3	17.4	8.6	4.9
Other	7.7	6.9	2.6	1.8
EBIT	28.6	20.8	10.5	2.5
EBIT margin	2.8%	2.2%	3.7%	1.0%
EBITA	38.4	31.0	12.9	5.1
EBITA margin	3.7%	3.3%	4.5%	1.9%
EBITDA	84.6	55.1	35.2	11.4
EBITDA margin	8.1%	5.9%	12.3%	4.3%
IFRS net profit	14.4	12.8	4.5	1.1
IFRS earnings per share in EUR	0.32	0.35	0.07	0.00



Revenue development
2009 – 2019
Page 76



Revenues by quarter
Page 76



Revenue development
by regional segment
Page 76



Recurring business as a
proportion of total revenues
Page 77

REVENUE DEVELOPMENT

In fiscal year 2019, itelligence once again maintained the revenue trend of previous years and further increased its market share. Revenues increased by +12.0% (after adjustment for currency translation effects: +12.1%), from MEUR 926.6 to MEUR 1,038.2, and are therefore within the forecast range of BEUR 1. Average revenue growth (CAGR) for the past ten years amounts to 16.8%.

Revenues were up again year-on-year in all quarters of 2019. Organic growth amounted to +8.2%. The companies acquired in 2019 contributed a further 3.8% to the increase in revenues. In addition to the acquisitions of Sybit, Eins (Sweden), NTT DATA Denmark, and Sapience (Sweden) from fiscal year 2018 and their first full-year consolidation, this effect was also attributable to the acquisitions of Weaveability (UK) and the companies in Australia and Brazil in fiscal year 2019.

itelligence breaks down revenues both by segment and by division. The corresponding changes are shown in the charts on page 76.

The breakdown of revenues by segment in fiscal year 2019 was as follows: DACH 45.7% (previous year: 47.9%), Western Europe 15.7% (previous year: 14.2%), Northern and Eastern Europe 18.8% (previous year: 19.9%), America 16.8% (previous year: 15.3%), Asia 2.2% (previous year: 1.9%), and Other 0.7% (previous year: 0.7%).

The breakdown of revenues by individual unit is as follows: Consulting 43.6% (previous year: 42.0%), Licenses 6.5% (previous year: 8.8%), Cloud Subscription 2.6% (previous year: 2.1%), Managed Services 46.5% (previous year: 46.6%), and Other 0.8% (previous year: 0.5%).

The development of recurring business in the individual units Maintenance, Application Management and Managed Cloud, and Cloud Subscription from fiscal years 2009 to 2019 is set out on page 77.

REVENUE DEVELOPMENT IN THE REGIONS

The itelligence AG segment with the highest revenues, Germany/Austria/Switzerland (**DACH**), increased its revenues by +6.9% to MEUR 474.7 (after adjustment for currency translation effects: +8.2%). Organic growth in the region amounted to 3.1% in the period under review. External growth from the first full-year consolidation of Sybit came to +3.8%.

The highest absolute increase in revenue in the DACH segment was achieved in the Managed Services unit, which grew by MEUR 19.8 (8.4%) from MEUR 235.8 to MEUR 255.6. License revenues fell short of the previous year, dropping by MEUR -11.1 from MEUR 35.5 to

MEUR 24.4. Cloud Subscription revenues also rose by MEUR +3.4 from MEUR 4.2 to MEUR 7.6 (+81.0%). Consulting revenues increased by +10.6%, from MEUR 166.0 to MEUR 183.6.

Revenues in the **Western Europe segment** rose by +23.5% (after adjustment for currency translation effects: +16.6%) from MEUR 131.7 to MEUR 162.7. This positive development was particularly due to organic and external growth in the UK and the good business performance in Benelux.

Consulting business in the Western Europe segment performed extremely positively in 2019. Revenues grew from MEUR 64.5 to MEUR 78.8 here. This represents growth of MEUR +14.3 or +22.2% (after adjustment for currency translation effects: 10.5%). The company in the UK significantly increased its consulting revenues by MEUR +18.5, primarily due to the acquisition of Weaveability and higher daily rates. The other national subsidiaries, such as Benelux and Spain, also performed positively. Only the company in France fell short of expectations.

Revenues in the Licenses segment increased by MEUR +1.8 from MEUR 12.7 to MEUR 14.5. Adjusted for currency translation effects, license revenues were +13.3% higher than in the previous year. The Cloud Subscription segment posted an increase of MEUR +3.0 or 61.9% to MEUR 7.8 as a result of the strong performances of the Benelux, UK, and France regions. Managed Services also achieved a +23.9% rise from MEUR 49.7 to MEUR 61.6. This increase was mainly attributable to the UK, Benelux, and France.

The **Northern and Eastern Europe segment** generated revenues of MEUR 195.1 in the past fiscal year. This represented an increase of MEUR +10.5 or +5.7% on the previous year. After adjustment for currency translation effects, revenue growth came to +9.3%. This revenue growth was attributable chiefly to Turkey with MEUR +10.1, the Czech Republic with MEUR +2.5, and the Nordics region with MEUR +1.3. The revenue development in the Nordics region was positively impacted by the first full-year consolidation of the companies acquired in the previous year, Eins (Sweden), NTT DATA Denmark, and Sapience (Sweden). Organic growth came to +4.4%, while external growth came to 1.3%.

In the Northern and Eastern Europe segment, revenues increased significantly in almost all segments. At MEUR 99.5, consulting revenues increased by MEUR +8.6 or +9.5% compared with the prior-year figure of MEUR 90.9 (after adjustment for currency translation effects: +12.7%). At MEUR 75.3, managed services achieved an increase of MEUR +3.4 or +4.7% compared with the prior-year figure of MEUR 71.9. At MEUR 13.8, license revenues were down MEUR -2.4 on the 2018 figure of MEUR 16.2. Adjusted for currency translation effects, revenues would have fallen by MEUR -1.5 year-on-year.

In the **America segment**, revenues climbed by +23.1% from MEUR 141.9 in the previous year to MEUR 174.7. After adjustment for currency translation effects, revenues grew by +17.7%. In addition to the strong organic revenue growth in the USA and the better than expected performance in India and Qatar, this development was also due to the acquisition of the FH Group in Brazil. The FH Group's revenues of MEUR +5.5 resulted in a +3.9% external increase in revenues in this region.

In particular, consulting business in this region increased from MEUR 56.2 to MEUR 76.7. In addition to the positive development in the USA, revenue growth was also positively influenced in the amount of MEUR 3.2 by the acquisition of the FH Group. Managed services business was increased by MEUR +13.0 from MEUR 62.6 to MEUR 75.6, with MEUR +1.4 attributable to the acquisition of FH. License business declined by MEUR -3.8 from MEUR 16.7 to MEUR 12.9 (after adjustment for currency translation effects: -25.4%) due to lower license business in India and the USA.

In the **Asia segment**, the previous year's revenues were exceeded by MEUR +5.9 with revenues of MEUR 23.3 in the fiscal year. With the acquisition of NTT DATA Australia, revenues were increased by MEUR +5.3, resulting in growth of +33.5% (after adjustment for currency translation effects: +30.9%).

At MEUR 10.0, revenues from consulting business were up MEUR 3.2 on the prior-year figure of MEUR 6.8 due to the acquisition of NTT DATA Australia. License business in Asia was virtually unchanged year-on-year at MEUR 0.2. Managed services business generated revenues of MEUR 12.9, up MEUR +2.5 on in the previous year. Adjusted for currency translation effects, revenues in managed services business would have grown by +20.6%.

The **Other segment** contains the revenues of ITC GmbH and Recruit GmbH. At MEUR 7.7, the revenues generated by these two companies were above the previous year's level of MEUR 6.9; this was attributable to the good business performance of ITC GmbH.



Orders on hand and
revenues per quarter
Page 77

REVENUE DEVELOPMENT BY DIVISION

itelligence AG generated year-on-year revenue growth in all divisions except license business in fiscal year 2019.

Consulting revenues increased by +16.4% year-on-year (after adjustment for currency translation effects: +16.0%) from MEUR 389.1 to MEUR 453.0. This rise was attributable to higher consultant capacity utilization in Germany and abroad and the acquisitions of the companies in the UK (MEUR +2.6), Australia (MEUR +3.1) and Brazil (MEUR +3.2).

License revenues decreased by MEUR -14.3 or -17.5% from MEUR 81.6 in the previous year to MEUR 67.3 in fiscal year 2019.

The biggest percentage increase (+38.6%) was generated in the Cloud Subscription segment, where revenues rose by MEUR +7.6, from MEUR 19.7 in the previous year to MEUR 27.3 in the reporting year. This increase is attributable largely to the positive performance in Germany, the UK, Benelux, and the Nordics region.

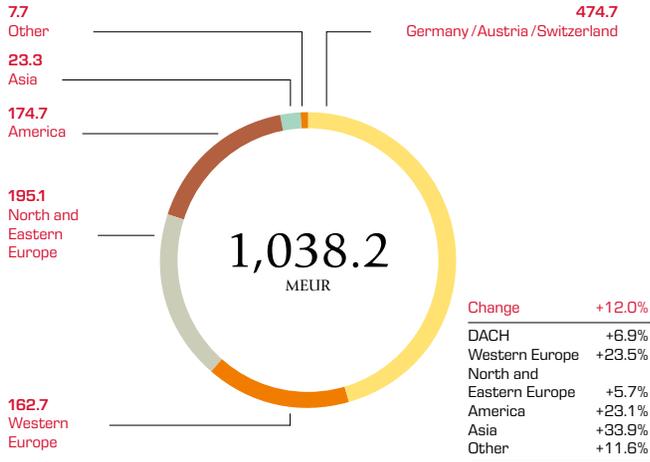
Managed Services recorded strong growth of MEUR +50.8 from MEUR 431.5 to MEUR 482.4. This increase stems from volume-related growth and the positive performance in the USA, India, Turkey, and the Nordics region. Furthermore, the strong business development in Germany and at GISA GmbH had a positive impact on this segment.

Orders on hand at itelligence AG increased by +5.1% from MEUR 982.1 to BEUR 1.032. The book-to-bill ratio for 2019 amounted to 1.05.

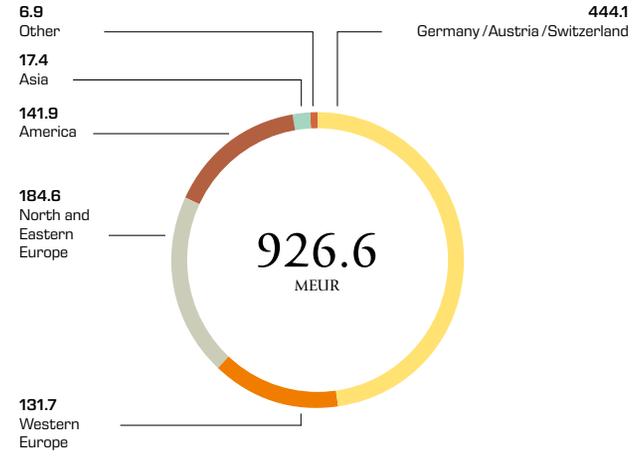
REVENUE DEVELOPMENT BY SEGMENT

MEUR

2019



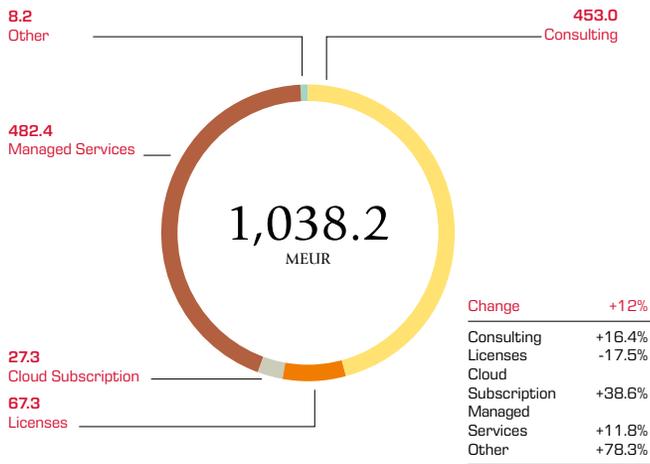
2018



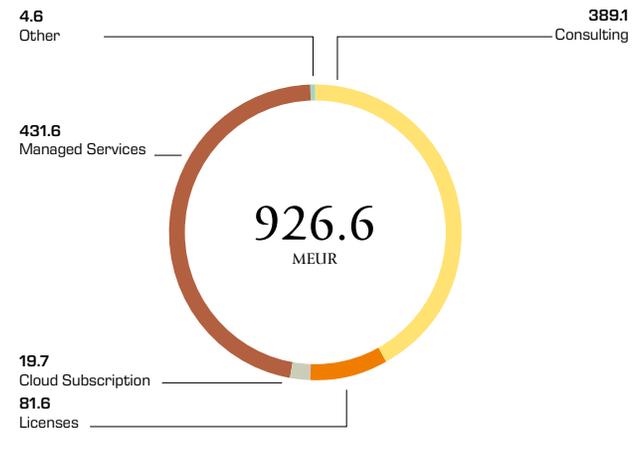
REVENUE DEVELOPMENT BY DIVISION

MEUR

2019

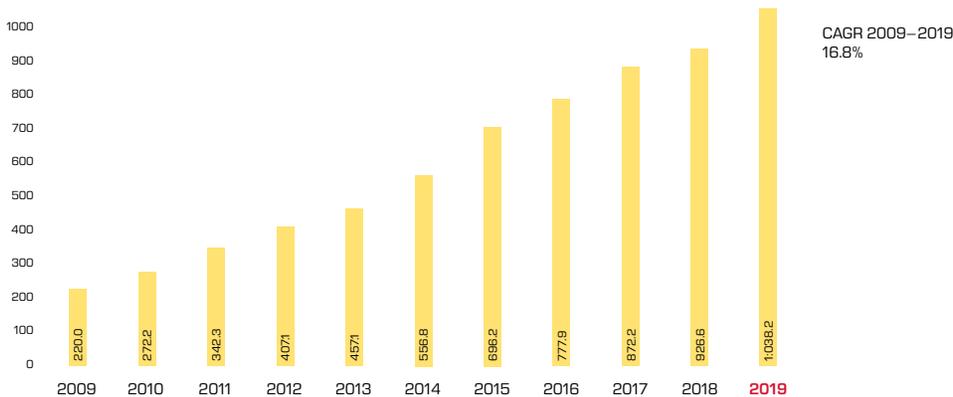


2018



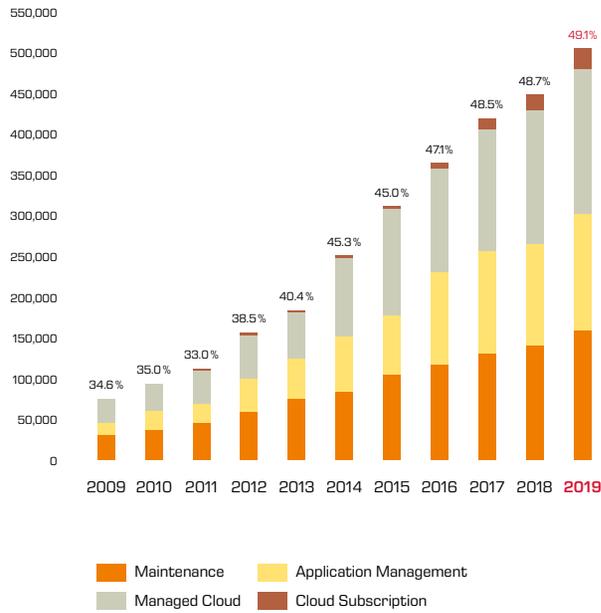
REVENUE DEVELOPMENT 2009 – 2019

MEUR



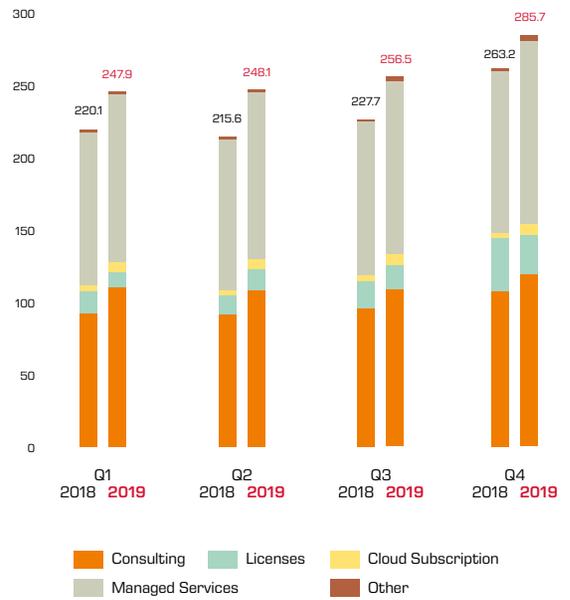
RECURRING BUSINESS

as a proportion of total revenues in MEUR



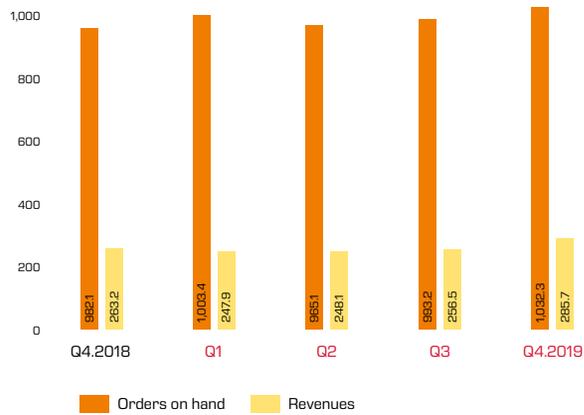
REVENUES BY QUARTER

MEUR



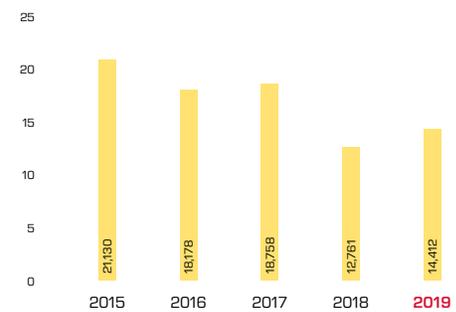
ORDERS ON HAND & REVENUES

per quarter in MEUR



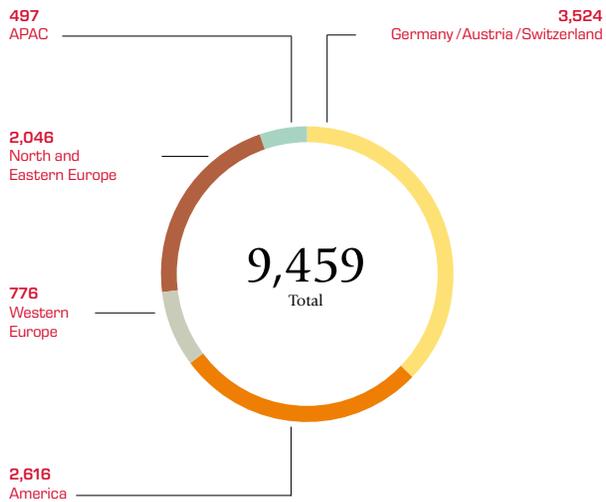
CONSOLIDATED NET PROFIT

KEUR

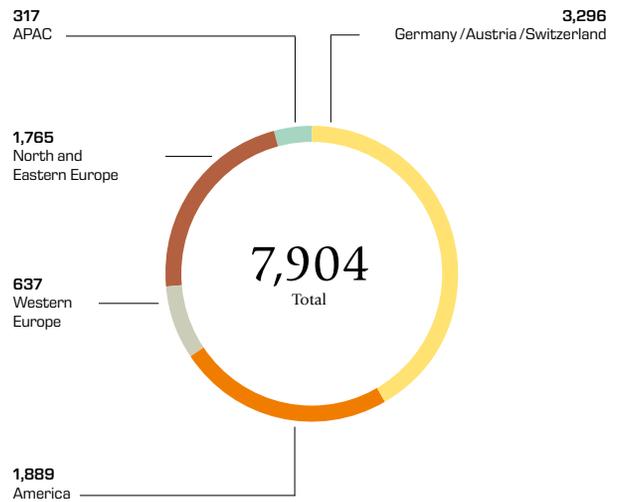


EMPLOYEES BY SEGMENT

2019

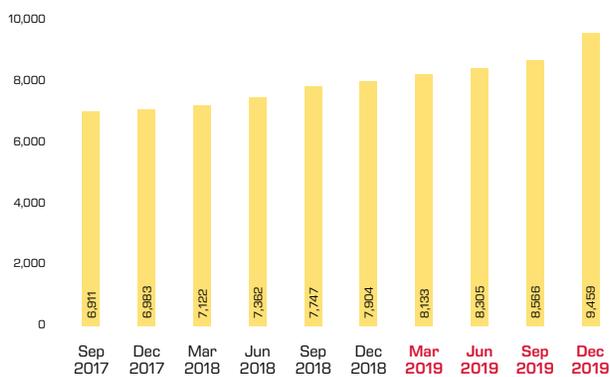


2018



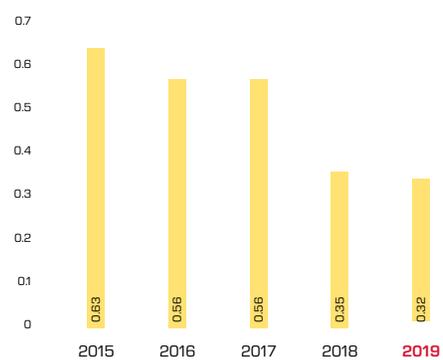
EMPLOYEE DEVELOPMENT

at the end of the month



EARNINGS PER SHARE

EUR



NET ASSETS, FINANCIAL POSITION, AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

itelligence AG improved on the previous year's earnings before interest, taxes, and amortization (EBITA) in fiscal year 2019. EBITA rose by 23.9% from MEUR 31.0 in 2018 to MEUR 38.4. Consequently, the operating EBITA margin stood at 3.7% (previous year: 3.3%), below the prior-year forecast of 5.0%. The fact that it fell short of the prior-year forecast is mainly due to investments in strategic measures in the amount of MEUR 5.6 that were made in consultation with the shareholders to increase profitability on a long-term basis. This effect was also intensified by risk provisions for projects and lower capacity utilization in consulting business. At 2.8%, the EBIT margin was +0.6 percentage points higher than in the previous year (2.2%) and down on the prior-year forecast of 4.4%. The difference of 0.9 percentage points compared with the EBITA margin is due to the scheduled amortization of intangible assets in the amount of MEUR 9.8 (previous year: MEUR 10.2). Capitalized customer relationships and orders on hand are amortized over periods that reflect the respective contractual terms.

The increase in profitability was due to the dynamic development in the USA, the acquisition in Brazil, and a positive development in Russia, Turkey, the Nordics region and at the company Sybit in Germany.

The **Western Europe segment** generated EBITA of MEUR 11.1 in fiscal year 2019 (previous year: MEUR 6.5). Very good earnings in the UK (acquisition of Weavebility) and the positive EBITA contribution from Benelux compensated for restructuring in France.

EBITA in the **DACH segment** amounted to MEUR 5.7 in 2019, representing a decrease of MEUR -13.4 compared to the prior-year figure of MEUR 19.1. In addition to the lower earnings contributions in Germany resulting from lower license revenues and lower consulting margins, the difference was also attributable to the strategic investments of MEUR 5.6 that were aimed at ensuring the Group's long-term profitability and were recognized in Germany.

The **Northern and Eastern Europe segment** generated EBITA of MEUR 13.6, representing the largest earnings contribution at a regional level, and was thus up by MEUR +3.3 on the figure of MEUR 10.3 recorded in 2018. Higher profitability in the Nordics region and the positive developments in Poland, Hungary, and the Czech Republic improved EBITA overall. In addition, the earnings contribution was positively impacted by the first full-year consolidation of the companies acquired in the previous year, Eins (Sweden), NTT DATA Denmark, and Sapience (Sweden).

EBITA in the **America segment** amounted to MEUR 8.1, representing an increase of MEUR+14.9 compared to the prior-year level of MEUR -6.8. The absence of the out-of-court settlement for a major project in the USA in 2018 and the positive development in consulting business led to a very good development in the USA. In addition, the earnings from the acquisition of FH in Brazil also contributed to this result.

At MEUR -0.9, the earnings contribution generated in the **Asia segment** was around MEUR -1.8 lower than the previous year's level of MEUR 0.9. Consulting business in China was negatively impacted by project risks and could not be compensated by the positive development in managed services business or by the earnings contribution of the acquired company in Australia.

In the **Other segment**, the EBITA contribution of MEUR 0.7 did not match the previous year's level and was down by MEUR -0.4 compared to 2018.

NET FINANCE COSTS

Net finance costs amounted to MEUR -5.6 in the past fiscal year compared with MEUR -2.5 in the previous year. This figure includes finance income from short-term investments in the amount of MEUR 0.2 (previous year: MEUR 0.2) and finance costs of MEUR 5.9 (previous year: MEUR 3.8). Net finance costs also include income from the remeasurement of derivatives and the exercise of options in the amount of MEUR 0.2 (previous year: expenses of MEUR 1.2). This results in EBT (earnings before taxes) of MEUR 22.9 after MEUR 18.4 in the previous year, corresponding to EBT growth of 24.5%.

TAX EXPENSE

Tax expense in fiscal year 2019 amounted to MEUR 8.5 compared with MEUR 5.6 in the previous year. At 37.2%, the consolidated tax rate was up significantly on the prior-year figure of 30.5%. The increase in the tax rate compared to 2018 mainly resulted from the lack of utilization of loss carryforwards. Further information on income taxes can be found in note (9) of the notes to the consolidated financial statements.

CONSOLIDATED NET PROFIT AND EARNINGS PER SHARE

itelligence AG's consolidated net profit for the fiscal year under review increased to MEUR 14.4, up by MEUR 1.6 or 12.9% on the prior-year figure of MEUR 12.8.

The share of consolidated net profit attributable to the shareholders of itelligence AG decreased from MEUR 10.5 in the previous year to MEUR 9.7 in fiscal year 2019. In line with this decrease, earnings per share were EUR 0.03 lower than in the previous at EUR 0.32 in the past fiscal year. Earnings per share were calculated on the basis of 30,014,838 shares.



Consolidated net profit

Page 77



Earnings per share

Page 78

NET ASSETS

Reflecting the Group's continued significant organic and inorganic growth, total assets grew by MEUR 180.9 or around 26.9% in the past fiscal year.

ASSETS MEUR	Dec. 31, 2019	Dec. 31, 2018	Change
Intangible assets	258.9	186.5	72.4
Property, plant and equipment	187.8	121.5	66.3
Non-current receivables and other assets	9.4	5.6	3.8
Non-current assets	456.1	313.6	142.5
Current receivables and other assets	288.0	275.4	12.6
Cash and cash equivalents	108.4	82.6	25.8
Current assets	396.4	358.0	38.4
Total assets	852.5	671.6	180.9

EQUITY AND LIABILITIES MEUR	Dec. 31, 2019	Dec. 31, 2018	Change
Equity (including non-controlling interests)	275.4	192.2	83.2
Financial liabilities	206.6	170.1	36.5
Provisions for pensions and other provisions	10.9	8.5	1.8
Other non-current liabilities	11.7	14.2	-1.9
Non-current liabilities	229.2	192.8	36.4
Trade payables	82.9	82.7	0.2
Financial liabilities	115.3	73.9	41.4
Other current liabilities and provisions	149.7	130.0	19.7
Current liabilities	347.9	286.6	61.3
Total capital	852.5	671.6	180.9

At MEUR 456.1, non-current assets were up by 45.4% on the prior-year figure of MEUR 313.6. Non-current assets accounted for 53.5% of total assets at the reporting date (previous year: 46.7%). The main items under non-current assets are goodwill in the amount of MEUR 222.4 (previous year: MEUR 154.2) and property, plant and equipment in the amount of MEUR 187.8 (previous year: MEUR 121.5). The acquisitions of

- the 51% majority interest in the two SAP partners Weaveability Ltd. in the UK
- the 85% majority interest in the two NTT DATA Business Solutions in Australia
- the 60% majority interest in the FH Group in Brazil

led – together with positive exchange rate differences – to a significant increase in goodwill of MEUR 74.1. Conversely, reclassifications of orders on hand and customer relationships reduced goodwill by MEUR -5.9.

Current assets rose to MEUR 396.4 at the end of the reporting period compared with MEUR 358.0 in the previous year. They thus accounted for 46.5% of total assets (previous year: 53.3%). Cash and cash equivalents and trade receivables showed the sharpest rise in this area. Trade receivables increased by 3.2% year-on-year from MEUR 211.0 to MEUR 217.7 as a result of the acquisitions as well as the strong course of business in the last quarter of 2019. The average days sales outstanding – defined as the average number of days from invoicing to receipt of payment from the customer – decreased by 4 days to 85 days at the reporting date (previous year: 89 days). Cash and cash equivalents rose to MEUR 108.4 compared with MEUR 82.6 in the previous year.

On the liabilities side of the consolidated statement of financial position, equity increased to MEUR 275.4 (previous year: MEUR 192.2), primarily on account of capital increases of MEUR 78.9 and the consolidated net profit of MEUR 14.4 (of which MEUR 9.7 was attributable to the shareholders). The equity ratio, which expresses the ratio of equity to total assets, rose significantly from 28.6% in the previous year to 32.3%.

Non-current liabilities accounted for 26.9% of the Group's total equity and liabilities on December 31, 2019, down on the prior-year figure of 28.7%. Generally speaking, the non-current financial liabilities primarily relate to the financing of the data centers in Germany and abroad as well as the Group's acquisitions.

Intelligence also recorded an increase in current liabilities of MEUR 61.3 to MEUR 347.9. This was predominantly due to the higher level of financial liabilities and other non-financial liabilities as well as an increase in trade payables at the end of the year. The increase in financial liabilities was largely caused by the short-term utilization of cash pooling accounts with the NTT DATA Corporation. This utilization was to finance the short-term working capital requirement outside Germany. Further information on financial liabilities can be found in note (23) of the notes to the consolidated financial statements.

The increase in other non-financial liabilities is primarily attributable to the rise in provisions. This growth mainly results from higher warranty provisions for work still to be performed under maintenance contracts and free additional work in customer projects. At 40.8%, the ratio of current liabilities to total assets was down on the prior-year figure of 42.7%.

FINANCIAL POSITION

CASHFLOW MEUR	Dec. 31, 2019	Dec. 31, 2018	Change
EBITDA	84.6	55.1	33.6
Cashflow from operating activities	67.3	30.1	37.2
Cashflow from investing activities	-61.4	-37.4	-24.0
Cashflow from financing activities	18.7	40.6	-21.9
Change in liquidity	24.6	33.3	-8.7

In the past fiscal year, cashflow from operating activities increased by MEUR 37.2 to MEUR 67.3. This was primarily due to the substantial increase in EBITDA in the reporting year and the decrease in DSO by 4 days to 85 days.

Cashflow from investing activities amounted to MEUR 61.4, up significantly on the prior-year figure of MEUR 37.4. This was due in particular to purchase price payments for the acquisition of the new companies (less cash and cash equivalents acquired) in the amount of MEUR 41.4 (previous year: MEUR 12.4). Investments in intangible assets and property, plant and equipment (less investment subsidies and grants) amounted to MEUR 20.0 in the reporting period, compared with MEUR 26.6 in the previous year. As in the previous years, investments in property, plant and equipment resulted primarily from the expansion of data center capacity in Germany and abroad.

In terms of geographical segments, America accounted for investments including finance leases of MEUR 3.3 (previous year: MEUR 2.1), DACH for MEUR 33.3 (previous year: MEUR 43.2), Western Europe for MEUR 11.0 (previous year: MEUR 1.5), and Northern and Eastern Europe for MEUR 8.4 (previous year: MEUR 8.1).

Cashflow from financing activities totaled MEUR 18.7 (previous year: outflow of MEUR 40.6). The Group entered into financial liabilities of MEUR 84.1 in fiscal year 2019. This was offset by repayments in the amount of MEUR 106.9, payments for the acquisition of non-controlling interests of MEUR 3.0, and finance lease payments of MEUR 33.1. Non-current financial liabilities were primarily entered into for the purpose of acquisitions and investments in data centers. The interest rates ranged from 0.25% to 2.75%. Due to the fixed interest agreements for the existing financing, a change in interest rates would not have a significant impact on the itelligence Group's financial position. For future growth finance, a change in interest rates would affect the Group's financial position and net interest income. Details on the nature, maturity and interest rate structure of the liabilities can be found in note (23) "Financial liabilities" in the notes to the consolidated financial statements.

Cash and cash equivalents increased by MEUR 25.8 to MEUR 108.4 as of the reporting date (previous year: MEUR 82.6). Of this figure, MEUR 25.4 was held in the euro zone and was not subject to exchange rate effects. Cash and cash equivalents held outside the euro zone in the amount of MEUR 83.0 were invested and reported in the country-specific currencies.

Translation was performed at the year-end closing rates. The consolidated financial statements will continue to be subject to currency translation effects in future. The Group's liquidity reserves were invested solely in short-term investments, meaning that fluctuations in the market interest rates for such investments on the money and capital markets can have an impact on itelligence's net interest income.

In order to increase financial flexibility, additional credit facilities of MEUR 21.0 were agreed in Germany. In the year under review, these were utilized for drawing against guarantees and loans in the amount of MEUR 2.6. In addition to credit facilities in Germany, subsidiaries also applied for credit facilities abroad. These credit facilities with a total volume of MEUR 20.4 were agreed in the respective local currencies and were partially guaranteed by itelligence AG. At the reporting date, these credit facilities were utilized by subsidiaries in the amount of MEUR 15.3.

The itelligence AG Management Board expects the cash and cash equivalents of MEUR 108.4 together with financial reserves in the form of various unutilized credit facilities to be sufficient to cover itelligence's operating capital requirements and – together with the expected cashflow from operating activities – the scheduled debt repayments and other planned short-term and medium-term investments. The partnership with NTT DATA also ensures the Group's financial flexibility.

OVERALL ASSESSMENT OF THE ECONOMIC POSITION

In 2019, itelligence AG achieved its growth targets and posted double-digit growth again at 12.0% after the previous year's weaker growth of 6.2%. Organic growth increased significantly again by 8.2% after just 2.4% in the previous year. External growth through acquisitions came to 3.9% in 2019 after 3.9% in the previous year.

The equity ratio increased to 32.3% in the reporting year (previous year: 28.6%). This was firstly due to increased operating earnings, and secondly to the capital injection from the parent company of NTT DATA to finance acquisitions. Cash and cash equivalents improved significantly from MEUR 82.6 in the previous year to MEUR 108.4 in 2019, partly due to a considerable improvement in operating cashflow. Payments for acquisitions also increased significantly, particularly due to the acquisition in Brazil, causing cashflow from investing activities to rise by MEUR 24.0. Cashflow from financing activities also increased by MEUR 22.0 due to conversion of the NTT DATA credit lines. These credit lines ensure sufficient financial flexibility in Germany and abroad. The parent company NTT DATA means that loans, financing and capital

increases for major investment and acquisition projects can be provided at all times. The Management Board rates the financial scope of itelligence as sufficiently stable to finance the envisaged growth in Germany and abroad. The Management Board continues to regard itelligence AG's economic position as satisfactory.

FINANCIAL AND NON-FINANCIAL PERFORMANCE INDICATORS

FINANCIAL PERFORMANCE INDICATORS

The most important financial performance indicators used by itelligence AG are revenues and the operating indicators EBIT and EBITA, EBIT is defined as operating earnings before interest and taxes, while EBITA is defined as operating earnings before interest, taxes and amortization. These performance indicators are presented to and discussed with the Management Board on a monthly basis as part of internal reporting, thus allowing measures to be initiated in a timely manner as required.

In addition to the above-mentioned key financial performance indicators, itelligence AG also uses a wide range of operational key figures to measure strategic objectives in terms of growth and efficiency improvements. This includes utilization levels, the development of daily rates and project budget compliance in the Consulting business and the number of new customers in the Licenses and Maintenance business. Sales activities in all divisions are monitored and managed centrally through the regular monitoring of the sales pipeline and the development of orders on hand. The following financial performance indicators are also used:

- Net finance costs: This performance indicator provides information regarding interest on cash and cash equivalents as well as interest payable on borrowed funds. The measurement of derivatives and the exercise of options also features prominently here.
- Days sales outstanding (DSO): Another important aspect is working capital management through monitoring of the days sales outstanding of operating receivables. Days sales outstanding (DSO) of receivables is defined as the average number of days from invoicing to receipt of payment from the customer.
- Tax rate: The tax rate corresponds to the ratio of income tax expense to earnings before income taxes in percent.
- Cashflow from operating, investing and financing activities: itelligence's statement of cashflows describes how the Group generated and used cash and cash equivalents.

NON-FINANCIAL PERFORMANCE INDICATORS

Employees

itelligence AG's business success and leadership claim as a strategic SAP full-service provider is primarily based on highly qualified and motivated employees who identify with the company.

Using a Group-wide employee survey, itelligence measures the progress made by the company in implementing its strategy as well as the development of management behavior, and employee identification with the company and the working environment. In 2019, the survey was conducted for the sixth time. The itelligence Group has a mature corporate identity that constitutes the foundation for its success on the basis of a uniform value system.

Customers and quality

Customer satisfaction is of central importance to the itelligence Group's business success. It forms the basis for trust-based partnership and long-term cooperation.

The success of extensive, complex projects depends to a large extent on high-quality implementation in line with the agreed budgets and deadlines. To prevent deviations from planning that could have a negative impact on its earnings situation, itelligence has established detailed, binding requirements for the tender process as well as for project and quality management.

The quality of itelligence's work is demonstrated by the number of SAP awards received.

Research and development

As itelligence does not perform any research and development in the narrower sense, it depends in particular on innovations in the area of industry solutions for more efficient implementation of SAP to maintain and expand its international competitiveness.

COMPOSITION OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD AND ALLOCATION OF OTHER MANAGEMENT ROLES

In accordance with the German Act on Equal Participation of Women and Men Regarding Leadership Positions within the Sectors of Private Economy and Public Service, the following targets for the composition of the Management Board and Supervisory Board as well as the allocation of other management roles are stated pursuant to sections 76 (4) and 111 (5) of the German Stock Corporation Act (AktG):

A target of 0% is set for the proportion of women on the Supervisory Board and Management Board of itelligence AG. As there are currently no female members of the Supervisory Board or Management Board, this target corresponds to the current proportion of women. Consequently, no deadline has been set for meeting the target.

No women are currently represented in the first management tier below the Management Board. In the subsequent management tier, the proportion of women is 7%. The Management Board is actively seeking to increase this proportion. The target for the next three years in the first management tier below the Management Board is 10%, and for the second management tier below the Management Board is higher than 10%.

DEPENDENT COMPANY REPORT

All shares in itelligence AG are held by NTT DATA EUROPE GmbH & Co. KG, Bielefeld. NTT DATA EUROPE GmbH & Co. KG is a wholly-owned subsidiary of NTT DATA Corporation, Japan. As there is no control or profit transfer agreement in place with NTT DATA EUROPE GmbH & Co. KG and no incorporation is planned, the Management Board of itelligence AG is required to prepare a dependent company report in accordance with section 312 AktG.

In accordance with section 312 (3) AktG, the Management Board hereby declares that, in the case of the transactions and measures contained in the dependent company report that were conducted on the basis of the circumstances known to the Management Board at the time the transactions were executed or measures were implemented or omitted, itelligence AG received appropriate consideration for each transaction and has not been disadvantaged by the implementation or omission of any measures.

OPPORTUNITY AND RISK REPORT

OPPORTUNITY AND RISK REPORT

The internal control system (ICS) of itelligence AG primarily consists of Group-wide controlling and financial reporting, compliance management, internal audit, and Group-wide risk management.

The harmonization of the internal audit and reporting system in the Group and within the NTT DATA Group was continued and expanded in 2019. Further controls, set out in risk control matrices and reviewed annually, were integrated at business process level. The functionality of the controls in the business environment and the internal IT systems is monitored by management annually and reviewed in external audits.

The risk inventory is updated once a year.

OPPORTUNITY MANAGEMENT

As a long-term partner, itelligence assumes responsibility for the enhancement of IT initiatives and IT challenges to provide added value for its customers. itelligence provides consulting, software, and managed services for its customers in close partnership with SAP. SAP technology leadership, industry solutions, and itelligence's process expertise continue to form the basis for successful cooperation.

itelligence's successful business model is based on a full-service provider approach. itelligence is working to improve its customers' value chains based on existing expertise. The management particularly sees opportunities in new markets with corresponding growth potential.

Technological meta-developments, such as IoT, Industry 4.0, cloud computing, S/4HANA, and mobility, also offer huge sustainable growth opportunities for itelligence.

OPPORTUNITIES OF FUTURE BUSINESS DEVELOPMENT

As a result of its customers' technological requirements, itelligence has a large number of economic growth opportunities at its disposal. These chiefly result from the innovations of SAP products (e.g. Industry 4.0, big data solutions, social media analytics, cloud and mobility services). This position is supplemented by the international cooperation with SAP SE. itelligence's global partnerships and international orientation allow it to provide intensive support to small and medium-sized enterprises and, in particular, upper mid-market companies with a strong international focus in Germany and abroad.

The parent company NTT DATA Corporation supports itelligence AG's growth. Activities are concentrated on cooperation with NTT DATA in joint projects and tapping into developing markets. itelligence uses the capital resources provided by the partnership with NTT DATA to strengthen its position through targeted acquisitions.

RISK MANAGEMENT

In accordance with section 91 (2) AktG, the Management Board of itelligence AG has established a risk management system for the Group in order to identify risks at an early stage. The risk management system is implemented on a Group-wide basis as one of the integral components of the business and decision-making processes. It contains controls aimed at ensuring a permanent and systematic approach based on a defined risk strategy. This method comprises the integrated planning process, monitoring and controlling of business processes, and the rule-compliant consolidated financial statements, which are prepared in accordance with IFRS. The defined standards are set out and published in Group-wide guidelines such as the Accounting and Account Assignment Manual, Compliance Management, the Risk Management

Guideline, and the Information Security Guideline. These are based on the requirements of the NTT DATA Group.

Implementation of the requirements is regularly examined and continuously improved by itelligence in cooperation with NTT DATA. Monthly management meetings at which the operating divisions report on business developments, opportunities, and risks of their areas of responsibility are supplemented by sales meetings and business reviews in the regions, and international business review meetings.

Above and beyond the addressed operating processes, the opportunity and risk management system is supplemented by committees in which Management Board and Supervisory Board members regularly meet.

Furthermore, NTT DATA Corporation intends to establish a uniform global audit and reporting system for all Group companies with the aim of bundling and analyzing the information required for efficient opportunity and risk management as quickly as possible and making the findings available to all Group members in good time.

RISKS OF FUTURE BUSINESS DEVELOPMENT

BUSINESS ENVIRONMENT RISKS

SAP partnership

As itelligence is focused on SAP as a full-service IT provider for the traditional and upper mid-size market, it is largely dependent on the continued market success of SAP's products. This dependence impacts net assets, financial position, and results of operations. As well as providing support, the SAP partner model embodies an economic risk for itelligence. While SAP continues to provide customers with high-performance products, itelligence can implement these products for its customers, thus reducing the economic risk for itelligence.

Human resources risks and opportunities

Qualified employees and managers who implement the SAP projects in numerous projects are the key factor in itelligence AG's success. It is therefore necessary to retain these employees and recruit new ones. A lack of qualifications for innovative topics, obsolete expertise, and insufficient motivation would impair the project success.

Professional training in the form of online training is used to ensure the balanced, timely, broad-based training of employees that ultimately passes on current expertise, while the skills

of managers and product participants are promoted by the international management development program.

Despite investments in these measures, the possibility that qualified employees will leave the company or that an insufficient number of new employees will be recruited cannot be ruled out.

INDUSTRY RISKS

As well as opportunities, technical progress presents industry risks. These risks affect itelligence's net assets and results of operations. The company focuses on the following risk areas:

a) Customer-oriented market risks

Market influences of customers, such as economic cycles, changes in exchange rates, changes in customers' investment behavior, company concentration, customer insolvency risk, etc.

b) Supplier-oriented market risks

Supplier services requested by itelligence including service quality, etc.

These developments are monitored through the monthly analysis of incoming orders and orders on hand. Despite intensive customer and supplier care, it cannot be fully ensured that all developments will be identified at an early stage or that measures will be initiated in a timely manner.

PERFORMANCE RISKS

Project risk

Project risk and resulting adverse effects on itelligence's net assets and results of operations can never be completely ruled out. Effective project controlling ensures project transparency.

Starting with monitoring by the project manager, the project is accompanied through to the escalation provisions. itelligence also works actively to reduce product risks by using qualified employees, through its advanced project methodology, and its defined project organization.

Inclusion of customers is a milestone in project work here. This enables everyone involved to identify risks at an early stage and take appropriate countermeasures.

Since 2017, itelligence AG has been involved in potential legal proceedings with a customer that has announced the rescission of an SAP implementation project and the assertion of various claims for damages. Since last year, the claims have not yet been asserted in court, although

this has been threatened. A seven-to-eight-digit claim amount is estimated by the customer, itelligence AG has receivables from the customer of around MEUR 0.7 for unpaid services. An internal examination by itelligence AG found the amount of the customers' claims and the reasons for their assertion to be unjustified. Extensive settlement negotiations were held with the customer. For the purposes of a potential settlement, the remaining work pay receivable was written down and an additional provision of MEUR 1 was recognized.

Since 2019, itelligence AG has been involved in further potential legal proceedings with a customer that announced the rescission of an SAP implementation project and the assertion of various claims for damages in the current fiscal year. However, the claims have not yet been asserted in court, although this has been threatened. The claims asserted by the customer amount to a sum in the millions or tens of millions. itelligence AG has receivables from the customer of around MEUR 0.7 for unpaid services. An internal examination by itelligence AG found the amount of the customers' claims and the reasons for their assertion to be unjustified; accordingly, no provisions have been recognized. However, the remaining work pay receivable of MEUR 0.7 will in all likelihood not be collectible and has therefore been written down as a precaution.

Risks in the Managed Services division

The risk in the Managed Services division is associated with the availability and reliability of data center services. Contractual and statutory provisions form the basis for planning of internal resources and processes here, while clearly defined responsibilities, interfaces, and workflows serve to ensure compliance. Each new customer is integrated in the new or changed technology and the process structure following a defined testing and acceptance procedure. The same applies to existing customers. As a result, the expected opportunities and risks are carefully weighed up.

The audits were successfully completed in 2019, as in the previous year. The services and processes were certified in accordance with ISO/IEC 20000-1:2011 and ISO/IEC 27001:2013. itelligence Global Managed Services GmbH's internal control system has also been successfully tested and audited in accordance with ISAE3402. These certifications are supplemented by the Global Partner SAP Hosting certificate. Comprehensive security measures – from building access restrictions through to the internal authorization concept for the responsible employees – and regular security audits with subsequent recertification have been implemented in data center operations. The change in European data protection legislation will pose new challenges for processes and technical measures in data center operations.

FINANCIAL RISKS

Liquidity risk

The Financial Management team at itelligence's head office monitors and controls global liquidity. The Management Board receives information on liquidity, including a cash forecast, on a weekly basis. Analysis is mainly focused on Group-wide monitoring of cash and cash equivalents, enabling measures to be initiated at short notice as required. A constant level of cash and cash equivalents and credit facilities in Germany and abroad increases security and independence.

Interest rate fluctuations on the money and capital markets impact itelligence AG's net interest income only to a limited extent.

Price risk

itelligence's value-added process is performed almost entirely in the same currency. Therefore, although there is a currency risk, it is limited. itelligence monitors exchange rate risks on the basis of items in the statement of financial position. Exchange rate fluctuations affecting intra-group receivables and liabilities and the resulting risk are monitored and documented on a continuous basis.

Goodwill impairment testing is performed each year using the DCF method. The average cost of capital is used to discount cashflows. Capital costs may change due to current developments in interest rate levels. Significant changes arising from goodwill impairment testing would have a substantial impact on earnings.

General management risk

itelligence examines its customers' insolvency with regard to each contract at all of its national subsidiaries. Nevertheless, this risk cannot be ruled out entirely. Therefore, all receivables within the Group are examined on a monthly basis and bad debt allowances are recognized depending on the age structure. This measure is supplemented by permanent credit checks, which also include risk provisions in the form of specific valuation allowances.

OTHER RISKS

Political risk

As an international service provider, itelligence is also exposed to international political influences and their consequences. Accordingly, political risk is taken into account and weighed up in all investment decisions.

The impact of Brexit on business development in the UK is unforeseeable. Based on the company's current assessment, there may be impacts on its customers investment decisions with corresponding impacts on earnings. However, as a large proportion of value added is generated in the country itself and the current order situation in UK is not in decline so far, this effect is not likely to become significant in 2020.

General management risk

itelligence is also exposed to general management risk. The company continuously improves its management, controlling, and steering systems and extends them to all levels with a view to preventing mistakes.

Effects of the coronavirus epidemic

Coronavirus has been spreading around the world since January 2020. On March 11, 2020, the WHO declared the coronavirus epidemic a "pandemic". The Management Board has not yet adjusted its expectations for the projected development in 2020 as compared to the original planning. The possible global spread of the coronavirus may lead to negative deviations in itelligence's forecast and targets. Depending on how the possible spread of the virus develops, the company's own employees or customers' employees could be affected, which could lead to delays in project implementation and thus to temporary declines in revenue. For this reason, all employees worldwide have been and still are repeatedly and regularly informed about the risks and preventive measures. The top management at itelligence is monitoring the global development and discusses it at weekly meetings. International business trips have been prohibited and national trips limited to a minimum. One of Europe's biggest logistics trade fairs, the "LogiMAT" in Stuttgart, was held by itelligence as a virtual trade fair.

OVERALL RISK SITUATION

The Management Board does not consider any individual risks to be there that could endanger the continued existence of the itelligence Group at the date of preparation of this annual report and in the foreseeable future. Similarly, the Management Board does not consider the aggregate risk at the date of preparation of this annual report as endangering the continued existence of the itelligence Group.

RISK REPORTING IN CONNECTION WITH THE USE OF FINANCIAL INSTRUMENTS

The risks relating to financial instruments are discussed in detail in notes (30) and (33g) of the notes to the consolidated financial statements.

FORECAST

ECONOMIC FORECASTS FOR 2020

At 2.9%, GDP growth of the global economy was considerably lower in 2019 than in the previous year (3.7%). It was thus also below the long-term average (2009-2018: 3.3%).

A more optimistic growth forecast was initially anticipated for 2020. In view of the easing in the trade dispute between the leading industrialized nations the USA and China, in January 2020 the IMF still anticipated potential growth of 3.3% in the global economies, representing a convergence with the long-term average for the past ten-year period, which was also 3.3%.

With the global spread of the coronavirus pandemic since early February, growth prospects are now deteriorating. According to the OECD, global economic growth could fall to 1.5% in 2020, roughly half the increase anticipated before the outbreak of the virus.

By contrast, if the situation stabilizes soon then the global economy is likely to grow by 2.4% in 2020, after a comparatively weak level of 2.9% already in 2019. The worst-affected country is expected to be China, where the virus first appeared. Effects of the economic problems in China would then quickly make themselves felt due through companies' globally interconnected supply chains, as well as for travel operators and commodity traders.

For the current first quarter, the OECD does not rule out the possibility that the global economy could even contract. All 20 of the leading industrialized and emerging economies are affected. The stronger their connections to China, the greater the impact – for example in Japan, Germany, South Korea, and Australia.

OUTLOOK FOR THE SOFTWARE AND IT SERVICES MARKET

For the overall IT market, Gartner forecasts considerably more positive growth of up to 3.7% in 2020 after just 0.4% in the previous year. The table below shows the IT spending forecast by Gartner for each sector.

In USD billion	2019		2020		2021	
	spending	growth	spending	growth	spending	growth
Data center systems	205	-2.5%	2,100	2.6%	212	1.1%
Enterprise software	457	8.8%	507	10.9%	560	10.5%
Devices	675	-5.3%	683	1.2%	685	0.4%
IT services	1,031	3.7%	1,088	5.5%	1,147	5.5%
Communication services	1,364	-1.1%	1,384	1.5%	1,413	2.1%
Overall IT market	3,732	0.4%	5,762	3.7%	4,018	3.8%

Source: Gartner (October 2019)

By contrast, the growth prospects for the software and IT services market developed much more positively in 2019. The growth rate came to 8.8% for enterprise software and 3.7% for IT services. Companies are continuing to invest heavily in digitalizing their business processes. Major upheaval is expected through the integration of products, machines and devices (Internet of Things). The need to analyze large volumes of data will increase further in the future, with corresponding implications for software and hardware used in-house (big data). Digital transformation will give rise to new business models and call long-established approaches into question. Gartner is therefore forecasting an increase in investments in enterprise software of up to 10.5% and a 5.5% increase in investments in IT services.

However, this does not yet include any adjustments to the outlook due to the coronavirus pandemic.

EXPECTED BUSINESS DEVELOPMENT OF ITELLIGENCE AG

The high level of orders on hand at the end of 2019, totaling MEUR 1,032 as against MEUR 982.1 in the previous year (+5.1) gave itelligence a strong starting point for 2020. Based on the anticipated high level of demand, the Management Board expects stable daily rates in consulting business once again in fiscal year 2020.

itelligence AG will continue to benefit from digital transformation in 2020. Market opportunities in the enterprise software and IT services are set to remain extremely strong. SAP's attractive range of products is beneficial to itelligence here. Overall, SAP expects the software market relevant to SAP to grow by 8.4% on average from 2018 to 2022. The customer relationship

management segment, which itelligence AG has also strengthened through the acquisition of Sybit in 2018 and Weaveability in 2019, is set to grow particularly strongly. itelligence sees particular growth potential with the development and sale of in-house products. The Gepardo software acquired in 2019 from FH in Brazil promises particularly interesting growth potential. itelligence is increasingly also benefiting from its collaboration with affiliates of NTT/NTT DATA. The Management Board expects these cooperations to be stepped up further in all regions.

In particular, business with customers in the BEUR 1 to BEUR 10 revenue bracket is becoming increasingly important to itelligence AG. itelligence AG intends to provide these customers with an attractive range of consulting services relating to S/4HANA transformation as well as innovative solutions from the wider SAP portfolio. In particular, S/4HANA transformation of the existing customer base promises strong prospects for the Group in 2020 and the following years.

In view of itelligence AG's strong market position and attractive product range, the Management Board expects revenue to increase by between 7.8% and 8.8% to between MEUR 1.12 and MEUR 1.13 in 2020, thus outpacing the growth of the overall market (original revenue forecast). One risk to achieving this revenue target lies in the general economic slowdown, particularly in view of the imminent economic effects of the coronavirus pandemic. Two to three small or medium-sized acquisitions will be targeted again in the coming year.

Increasing long-term profitability is again a top priority of the management in 2020. At the same time, agreement has been reached with the parent company NTT DATA to invest heavily in itelligence AG's business model and product range in order to increase long-term profitability. To this end, a strategic investment program was launched in 2019. These investments had a negative impact on EBITA of around MEUR 5.6 in the past fiscal year.

On the basis of revenue planning, the Management Board expects an operating EBITA margin of 5.0% and an operating EBIT margin of 4.5% (base budget before expenses for strategic investments for long-term enhancement of profitability) (original earnings forecast). In coordination with the shareholder, strategic investments for long-term enhancement of profitability totaling MEUR 15 to MEUR 20 are to be made in 2020, leading to a planned EBITA margin of around 3.5% to 4.0%. NTT DATA again has the stated aim of paying no dividend for 2020 so that all profits generated can continue to be invested in expanding itelligence AG's business.

As well as the aforementioned estimates with regard to overall market development in the enterprise software and IT services segment, these original forecasts assume a largely stable macroeconomic and global political environment. Actual results may deviate substantially from the expectations of future development.

Since January 2020, coronavirus has been spreading around the world (coronavirus epidemic). The Management Board has not yet adjusted its expectations for the projected development in

2020 as compared to the planning from December 2019. As a result of the coronavirus pandemic, it will no longer be possible to achieve the original revenues and earnings forecast.

Since January 2020, coronavirus has been spreading around the world (coronavirus epidemic). The Management Board has not yet adjusted its expectations for the projected development in 2020 compared with the planning from December 2019. As a result of the coronavirus pandemic, it will no longer be possible to achieve the original revenues and earnings forecast. Utilization of consultant capacity is expected to be considerably lower due to industrial production downtime, disruptions to supply chains, and restrictions imposed by public authorities. In addition, increased reluctance to invest is anticipated in license business and new business.

On the other hand, recurring business in the areas of maintenance, application management, managed cloud, and cloud subscription can be expected to have a stabilizing effect, although this will not be enough to compensate for the negative effects.

The precise extent and the more detailed economic effects on itelligence AG cannot be determined sufficiently specifically or reliably at present. Overall, however, the Management Board anticipates declining revenues and earnings compared with the previous year.

Bielefeld, March 27, 2020
itelligence AG

Norbert Rotter
CEO

Jürgen Pürzer
CFO

CONSOLIDATED INCOME STATEMENT

IFRS

KEUR	Jan. 1 – Dec. 31, 2019	Jan. 1 – Dec. 31, 2018
Revenues	1,038,186	926,631
Cost of sales	-827,514	-736,588
Gross profit	210,672	190,043
Marketing and distribution expenses	-94,860	-87,990
Administrative expenses	-80,920	-80,192
Other operating income	3,201	6,539
Other operating expenses	-4,726	-5,240
Impairment on trade receivables	-4,797	-2,332
Total operating expenses	-182,102	-169,215
Operating earnings	28,570	20,828
Investment income	14	4
Measurement of derivatives and exercise of options	178	1,224
Exchange rate differences from financing activities	-34	-100
Financial income	155	188
Finance costs	-5,942	-3,778
Net finance costs	-5,629	-2,462
Earnings before tax	22,941	18,366
Tax expenses	-8,529	-5,605
Consolidated net profit	14,412	12,761
of which attributable to the shareholders of itelligence AG	9,746	10,535
of which attributable to non-controlling interests	4,666	2,226
Earnings per share (EUR) (basic/diluted)	0.32	0.35
Number of shares on the basis of which earnings per share were calculated:		
– basic, diluted	30,014,838	30,014,838

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

IFRS

KEUR	Jan. 1 – Dec. 31, 2019	Jan. 1 – Dec. 31, 2018
Consolidated net profit	14,412	12,761
Actuarial losses IAS 19 *	-7,616	2,099
Currency translation differences **	1,219	-5,040
Tax effects	1,822	-660
Other comprehensive income	-4,575	-3,601
Total comprehensive income	9,837	9,160
of which attributable to the shareholders of itelligence AG	5,207	6,958
of which attributable to non-controlling interests	4,630	2,202

* Items never transferred to profit or loss

** Items which can be transferred to profit or loss

CONSOLIDATED BALANCE SHEET

IFRS

ASSETS KEUR	December 31, 2019	December 31, 2018
Non-current assets		
Goodwill	222,385	154,223
Intangible assets	36,574	32,325
Property, plant and equipment	187,794	121,495
Other financial assets	3,218	1,839
Trade receivables	3,656	2,495
Deferred tax assets	2,486	1,180
	456,113	313,557
Current assets		
Inventories	828	1,436
Trade receivables	214,091	208,503
Contract assets	37,145	28,546
Income tax receivables	7,084	7,995
Other financial assets	3,599	2,618
Other non-financial assets	5,390	4,005
Cash and cash equivalents	108,394	82,554
Prepaid expenses	19,894	22,364
	396,425	358,021
	852,538	671,578

EQUITY AND LIABILITIES KEUR	December 31, 2019	December 31, 2018
Equity		
Share capital	30,015	30,015
Capital reserves	141,400	62,468
Net accumulated profit	126,956	117,210
Other comprehensive income	-74,435	-36,493
	223,936	173,200
Non-controlling interests	51,487	19,049
	275,423	192,249
Non-current liabilities		
Financial liabilities	206,574	170,110
Deferred tax liabilities	6,183	9,951
Other non-current provisions	579	414
Pension provisions	10,329	8,097
Government grants	3,977	3,628
Other non-financial liabilities	1,580	576
	229,222	192,776
Current liabilities		
Trade payables	82,936	82,650
Contract liabilities	37,986	34,289
Financial liabilities	115,323	73,937
Other current provisions	9,644	7,850
Income tax liabilities	7,412	5,102
Other non-financial liabilities	94,592	82,725
	347,893	286,553
	852,538	671,578

CONSOLIDATED CASHFLOW STATEMENT

IFRS

KEUR	Jan. 1 – Dec. 31, 2019	Jan. 1 – Dec. 31, 2018
Consolidated net profit	14,412	12,761
Amortization of intangible assets and depreciation of property, plant and equipment	56,061	34,260
Elimination of losses on asset disposals	38	47
Other non-cash expenses and income	-11,301	3,106
Net finance costs	5,629	2,462
Tax expenses	8,529	5,605
	73,368	58,241
Change in inventories	608	-782
Change in trade receivables	-4,619	-13,846
Change in other non-current assets	-886	-1,646
Change in other current assets	2,247	-4,268
Change in prepaid expenses	-560	-1,433
Change in trade payables	1,878	9,735
Change in provisions for pensions	107	364
Change in other liabilities and provisions	8,299	4,198
	80,442	50,563
Interest received	155	188
Dividends received	14	4
Interest paid	-4,251	-3,778
Taxes paid	-9,063	-16,856
Cashflows from operating activities	67,297	30,121
Capital expenditure for intangible assets and property, plant and equipment	-20,026	-26,588
Investment grants and subsidies received	1,654	1,192
Cash received from the disposal of property, plant and equipment and intangible assets	1,082	488
Subsequent purchase price payments for acquisitions	-2,663	-105
Payments for acquisitions (less cash and cash equivalents acquired)	-41,423	-12,390
Cashflows from investing activities	-61,376	-37,403
Dividends paid to non-controlling interests	-1,841	-848
Decrease in deposits	0	80
Capital increase	78,932	9,700
Payment for put/call options	-3,045	0
Borrowing of financial liabilities	84,119	59,861
Repayment of financial liabilities	-139,500	-28,151
Cashflows from financing activities	18,665	40,642
Increase (decrease in previous year) in cash and cash equivalents	24,586	33,360
Effects from exchange rate differences	1,254	-113
Cash and cash equivalents as of January 1	82,554	49,307
Cash and cash equivalents as of December 31	108,394	82,554

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

IFRS

KEUR	Share capital	Capital reserves	Net accumulated profit	Other comprehensive income			Other comprehensive income	Equity attributable to the shareholders of the parent company	Minority interests	Consolidated equity
				Foreign exchange differences	Other equity IAS 19	Other equity				
December 31, 2017	30,015	52,768	106,675	-13,490	-2,509	-8,716	-24,715	164,743	9,773	174,516
Consolidated net profit			10,535					10,535	2,226	12,761
Actuarial losses IAS 19					1,439		1,439	1,439		1,439
Foreign exchange differences				-4,665		-351	-5,016	-5,016	-24	-5,040
Total comprehensive income			10,535	-4,665	1,439	-351	-3,577	6,958	2,202	9,160
Dividend payments									-848	-848
Acquisition of a subsidiary with non-controlling interests		9,700						9,700		9,700
Exercise of options without change of control						-8,201	-8,201	-8,201	7,922	-279
Shareholder transactions		9,700				-8,201	-8,201	1,499	7,074	8,573
December 31, 2018	30,015	62,468	117,210	-18,155	-1,070	-17,268	-36,493	173,200	19,049	192,249
Consolidated net profit			9,746					9,746	4,666	14,412
Actuarial losses IAS 19					-5,794		-5,794	-5,794		-5,794
Foreign exchange differences				1,255			1,255	1,255	-36	1,219
Total comprehensive income			9,746	1,255	-5,794	0	-4,539	5,207	4,630	9,837
Dividend payments									-1,841	-1,841
Capital increase		78,932						78,932		78,932
Acquisition of a subsidiary with non-controlling interests						-35,030	-35,030	-35,030	31,276	-3,754
Exercise of options (without change of control)						1,627	1,627	1,627	-1,627	0
Shareholder transactions		78,932				-33,403	-33,403	45,529	27,808	-5,595
December 31, 2019	30,015	141,400	126,956	-16,900	-6,864	-50,671	-74,435	223,936	51,487	275,423

AUDIT RESULT

The statutory auditor has issued the full consolidated financial statements and Group management report with an unqualified audit opinion.

The full consolidated financial statements and Group management report have been submitted to the operator of the Bundesanzeiger (Federal Gazette).

SERVICE & PUBLICATION DETAILS

CONTACT PARTNERS

Financial Communication

Katrin Schlegel, Head of Mergers & Acquisitions

Phone +49 5 21/9 14 48 106

Fax +49 5 21/9 14 45 201

E-mail katrin.schlegel@itelligence.de

Public Relations

Silvia Dicke, Press Spokesperson

Phone +49 5 21/9 14 48 107

Fax +49 5 21/9 14 45 201

E-mail silvia.dicke@itelligence.de

Company Address

itelligence AG

Königsbreede 1, 33605 Bielefeld

Phone +49 5 21/9 14 48 0

Fax +49 5 21/9 14 45 100

www.itelligencegroup.com

CONCEPT
itelligence AG

CONCEPT, DESIGN
visuphil®

TEXT
itelligence AG
Alex Jake Freimark
Daniel Schönwitz
wortwert

PHOTOGRAPHY
Tillmann Franzen, p. 25
iStock, p. U1–U2, 3–4
itelligence AG, p. 9, 11, 15–18, 20, 25, 27–31,
38–41, 43, 45, 53
Rüdiger Nehmzow, p. 7
Shutterstock, p. 12–13, 48, 50
Thorsten Ulonska, p. 53
Unsplash.com, p. 26 (Rafaella Biazzi),
p. 42 (Thom Holmes), p. 46 (William Karl)
Børns Vilkår, p. 32, 34–37

