

# Group Quarterly Statement

as of 31 March 2018

GFT Technologies SE

## Key figures (IFRS, unaudited)

### GFT Group

in € million	Q1/2018	Q1/2017	Δ € million	Δ %
<b>Income statement</b>				
Revenue	106.99	111.10	-4.11	-4%
Earnings before interest, tax, depreciation and amortisation (EBITDA)	10.05	9.92	0.13	1%
Earnings before interest and taxes (EBIT)	6.87	6.95	-0.08	-1%
Earnings before taxes (EBT)	6.52	6.63	-0.11	-2%
Net income	4.97	4.99	-0.02	0%
<b>Segments</b>				
Revenue <i>Americas &amp; UK</i>	47.90	54.86	-6.96	-13%
Revenue <i>Continental Europe</i>	58.98	56.08	2.90	5%
Revenue <i>Others</i>	0.11	0.16	-0.05	
Earnings before taxes (EBT) <i>Americas &amp; UK</i>	1.89	-2.29	4.18	> 100%
Earnings before taxes (EBT) <i>Continental Europe</i>	4.91	8.45	-3.54	-42%
Earnings before taxes (EBT) <i>Others</i>	-0.28	0.47	-0.75	
<b>Share</b>				
Basic earnings per share	€0.19	€0.19	-	0%
Average number of shares outstanding	26,325,946	26,325,946	0	0%
<b>Balance sheet</b>				
Non-current assets	163.41	173.40	-9.99	-6%
Cash and cash equivalents	78.15	44.13	34.02	77%
Other current assets	123.74	137.45	-13.71	-10%
<b>Total assets</b>	<b>365.30</b>	<b>354.98</b>	<b>10.32</b>	<b>3%</b>
Non-current liabilities	119.43	130.46	-11.03	-8%
Current liabilities	125.92	102.81	23.11	22%
Shareholders' equity	119.95	121.71	-1.76	-1%
<b>Total shareholders' equity and liabilities</b>	<b>365.30</b>	<b>354.98</b>	<b>10.32</b>	<b>3%</b>
Equity ratio	33%	34%		
<b>Cash flow statement</b>				
Cash flow from operating activities	9.96	-16.92	26.88	
Cash flow from investing activities	-0.72	-2.41	1.69	
Cash flow from financing activities	-3.15	1.03	-4.18	
<b>Employees</b>				
Number of employees (as of 31 March)	4,735	4,833	-98	-2%
Weighted utilisation rate	90.1%	87.7%		

Definitions of key figures used are available at [www.gft.com/performance-measures](http://www.gft.com/performance-measures).

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## 1 Overview of business development

The GFT Group began its financial year 2018 in line with expectations. There were quarter-on-quarter increases in both revenue and earnings. In the first quarter of 2018, consolidated revenue rose by 5% to €106.99 million (Q4/2017: €102.29 million). Earnings before interest, taxes, depreciation and amortisation (EBITDA) of €10.05 million almost doubled compared to the preceding quarter (Q4/2017: €5.21 million).

Compared to the strong comparative quarter in the previous year, consolidated revenue was 4% below the figure of €111.10 million for the first quarter of 2017. Whereas revenue from digitalisation solutions in *Continental Europe* rose by 5%, the ongoing budget restrictions of two clients had the expected impact on revenue in the *Americas & UK* division. Although business with all other clients increased in total, this segment posted a decline in revenue of 13%.

In the first quarter of 2018, EBITDA improved from €9.92 million to €10.05 million, while pre-tax earnings (EBT) of €6.52 million were on a par with the previous year (Q1/2017: €6.63 million).

## 2 Development of revenue

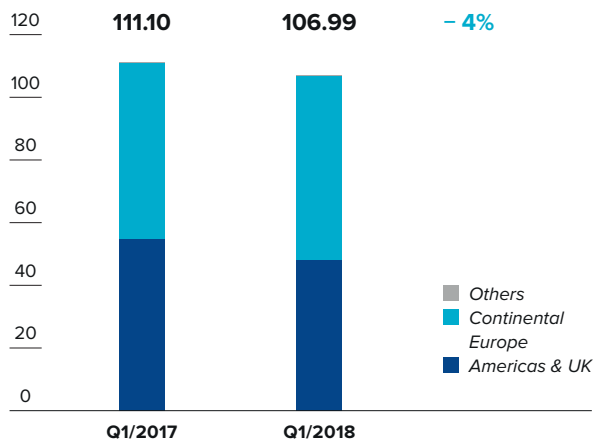
In the first quarter of 2018, the GFT Group generated revenue of €106.99 million – 5% more than in the preceding quarter (Q4/2017: €102.29 million). Compared to the strong first quarter of the previous year (Q1/2017: €111.10 million), revenue fell by 4%.

### Revenue by segment

In the first quarter of 2018, revenue in the *Americas & UK* segment was impacted by the budget restrictions of two investment banking clients, which were introduced in the second quarter of the previous year and are expected to continue in 2018. The resulting revenue decline could only be offset in part by the expansion of business with existing clients and the acquisition of new clients. As a result, revenue in this segment fell by 13% to €47.90 million in the first three months of 2018 (Q1/2017: €54.86 million). Adjusted for the revenue contribution of these two investment banking clients, the *Americas & UK* segment achieved revenue growth of 2%. This segment's share of consolidated revenue fell to 45% (Q1/2017: 49%).

In the *Continental Europe* segment, revenue growth of 5% to €58.98 million (Q1/2017: €56.08 million) was mainly driven by demand from retail banks for solutions to digitise their business processes. The corresponding share of consolidated revenue rose to 55% (Q1/2017: 51%).

Revenue by segment in the first quarter of 2018  
in € million



Revenue by segment in the first quarter of 2018

	Q1/2018		Q1/2017		Δ %
	€ million	share in %	€ million	share in %	
<i>Americas &amp; UK</i>	47.90	45%	54.86	49%	-13%
<i>Continental Europe</i>	58.98	55%	56.08	51%	5%
<i>Others</i>	0.11	0%	0.16	0%	-34%
<b>GFT Group</b>	<b>106.99</b>	<b>100%</b>	<b>111.10</b>	<b>100%</b>	<b>-4%</b>

## Revenue by country

Due to the ongoing cost-containment measures of two major investment banking clients, revenue in the **UK** fell by 14% to €28.13 million in the first quarter of 2018 (Q1/2017: €32.52 million). With a share of consolidated revenue of 26% (Q1/2017: 29%), the UK remains the GFT Group's largest sales market.

Revenue generated with clients in **Spain** rose by 4% to €23.83 million (Q1/2017: €22.97 million). The GFT Group's second-largest sales market increased its share of consolidated revenue to 22% (Q1/2017: 21%).

Business with clients in **Germany** made encouraging progress in the first quarter of 2018 – achieving the strongest revenue growth of 21% to €15.97 million (Q1/2017: €13.20 million). The main growth drivers were projects for the modernisation of core banking systems. The country's share of consolidated revenue rose accordingly by 3%-points to 15% (Q1/2017: 12%).

The GFT Group achieved revenue growth of 5% to €14.30 million with its clients in **Italy** (Q1/2017: €13.58 million). The country continues to account for 13% of consolidated revenue (Q1/2017: 12%).

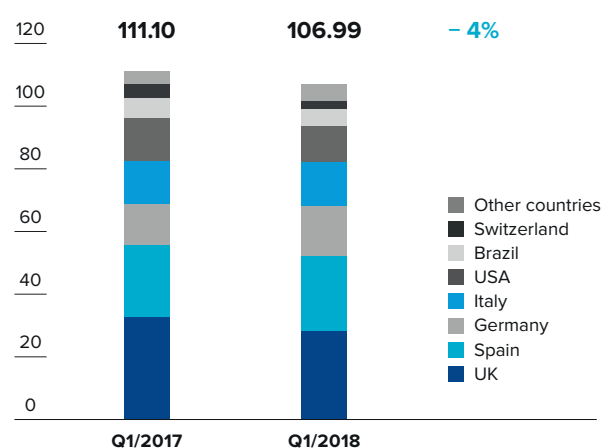
As in the UK, the cost-containment measures of two clients led to a decline in revenue of 19% to €11.28 million in the **USA** (Q1/2017: €13.99 million), corresponding to a share of consolidated revenue of 11% (Q1/2017: 13%).

The GFT Group generated revenue of €5.43 million with its clients in **Brazil**. This represents a year-on-year decrease of 11% (Q1/2017: €6.11 million). As in the previous year, Brazil accounted for 5% of consolidated revenue.

Revenue in **Switzerland** fell by 41% to €2.69 million (Q1/2017: €4.56 million), due mainly to the scheduled completion of projects to implement a core banking solution in the previous year. The share of consolidated revenue decreased to 3% (Q1/2017: 4%).

**Other countries** mainly comprises revenue generated with clients in Costa Rica, Canada, Luxembourg, Mexico, Poland and Portugal. This amounted to €5.36 million (Q1/2017: €4.17 million).

Revenue by country in the first quarter of 2018  
in € million



## Revenue by country in the first quarter of 2018

	Q1/2018		Q1/2017		Δ %
	€ million	share in %	€ million	share in %	
UK	28.13	26%	32.52	29%	-14%
Spain	23.83	22%	22.97	21%	4%
Germany	15.97	15%	13.20	12%	21%
Italy	14.30	13%	13.58	12%	5%
USA	11.28	11%	13.99	13%	-19%
Brazil	5.43	5%	6.11	5%	-11%
Switzerland	2.69	3%	4.56	4%	-41%
Other countries	5.36	5%	4.17	4%	29%
<b>GFT Group</b>	<b>106.99</b>	<b>100%</b>	<b>111.10</b>	<b>100%</b>	<b>-4%</b>

### 3 Earnings position

#### Earnings position of the GFT Group

Earnings of the GFT Group were generally in line with expectations in the first quarter of 2018. At €10.05 million, **earnings before interest, taxes, depreciation and amortisation (EBITDA)** were up 1% on the previous year (Q1/2017: €9.92 million).

Compared to the same quarter last year, **earnings before interest and taxes (EBIT)** fell by 1% to €6.87 million in the first quarter of 2018 (Q1/2017: €6.95 million). This was mainly due to increased amortisation of non-current intangible assets.

**Earnings before taxes (EBT)** of €6.52 million for the GFT Group were down 2% on the previous year (Q1/2017: €6.63 million). The decline was due in particular to the negative result of financial investments carried using the equity method. The operating margin of 6.1% was virtually unchanged from the previous year (Q1/2017: 6.0%).

In the first quarter of 2018, the GFT Group generated **net income** (earnings after taxes) of €4.97 million – just slightly below the prior-year figure of €4.99 million.

**Earnings per share** – undiluted – remained stable at €0.19 (Q1/2017: €0.19), based on 26,325,946 outstanding shares.

#### Earnings (EBT) by segment

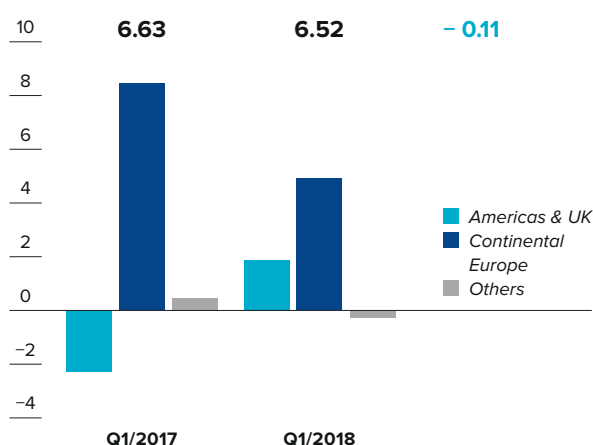
Pre-tax earnings (EBT) of the *Americas & UK* segment reached €1.89 million and improved strongly by €4.18 million compared to the previous year (Q1/2017: €-2.29 million). The operating margin – based on external revenue – amounted to 4.0% as opposed to -4.2% in the first quarter of 2017. In addition to lower negative exchange rate effects of €0.47 million (Q1/2017: €0.61 million), there was a particularly positive effect on segment earnings from significantly improved capacity utilisation as a result of restructuring in the financial year 2017. In the previous year, segment earnings were also burdened by restructuring charges of €1.00 million and earn-out payments of €0.25 million.

In the *Continental Europe* segment, pre-tax earnings (EBT) of €4.91 million in the first quarter of 2018 were €3.54 million below the prior-year figure of €8.45 million. The operating margin – based on external revenue – amounted to 8.3% (Q1/2017: 15.1%). The main reasons for the decline in segment earnings were reduced revenue in Switzerland and in particular the lower number of working days which could be invoiced, compared to the same quarter last year.

Earnings of the *Others* category fell by €0.75 million to €-0.28 million in the first quarter of 2018 (Q1/2017: €0.47 million), due primarily to lower Group allocations for the two operating segments.

The *Others* category – presented as a reconciliation column in the segment reporting – comprises items which by definition are not included in the segments. It also includes elements of the Group headquarters which are not allocated, e.g. items or revenue relating to corporate activities only occasionally incurred or generated. Moreover, the reconciliation comprises expenses in connection with the Group's headquarters in Stuttgart.

Earnings (EBT) by segment in the first quarter of 2018  
in € million



#### Earnings (EBT) by segment in the first quarter of 2018

	Q1/2018		Q1/2017		Δ %
	€ million	margin in %	€ million	margin in %	
Americas & UK	1.89	4%	-2.29	-4%	4.18
Continental Europe	4.91	8%	8.45	15%	-3.54
Others	-0.28	-	0.47	-	-0.75
<b>GFT Group</b>	<b>6.52</b>	<b>6%</b>	<b>6.63</b>	<b>6%</b>	<b>-0.11</b>

### Consolidated earnings position by income and expense items

**Other operating income** of €0.66 million in the first quarter of 2018 was on a par with the previous year (Q1/2017: €0.68 million).

The **cost of purchased services** increased year on year by 4% to €14.38 million (Q1/2017: €13.79 million). The rise during the reporting period was caused by the increased purchase of external services. The ratio of revenue to cost of purchased services was 1%-point up on the previous year at 13% (Q1/2017: 12%).

In the first quarter of 2018, **personnel expenses** of €68.06 million were down by €4.34 million or 6% (Q1/2017: €72.40 million). The decrease in staffing costs is in connection with the restructuring of the *Americas & UK* segment in the financial year 2017. The proportion of revenue to personnel expenses (the personnel cost ratio) fell slightly year on year from 65% to 64%.

**Depreciation and amortisation** of non-current intangible assets and property, plant and equipment rose by 7% to €3.18 million in the first quarter of 2018 (Q1/2017: €2.97 million). This was primarily due to scheduled writedowns on the customer base of Mecanización de Empresas, S.A., Alicante, Spain, which was acquired in the previous year.

**Other operating expenses** of €15.12 million were 4% down on the previous year (Q1/2017: €15.67 million). The main cost elements were still operating, administrative and selling expenses, which totalled €13.82 million in the first quarter of 2018 (Q1/2017: €13.80 million). The decline in other operating expenses is largely the result of lower negative exchange rate effects of €0.57 million, compared to €0.74 million in the prior-year period.

The application of new accounting and measurement regulations according to IFRS 9 'Financial Instruments' as of 1 January 2018, in particular with regard to the valuation of trade receivables and contract assets, did not have any material impact on the earnings position of the GFT Group.

The **financial result** in the first three months of 2018 amounted to €-0.39 million (Q1/2017: €-0.33 million). The decline was mainly due to the negative result of CODE\_n GmbH, which is carried using the equity method.

The **income tax expense** amounted to €1.55 million (Q1/2017: €1.64 million). In the first quarter of 2018, the effective tax rate of 24% was slightly below the prior-year figure (Q1/2017: 25%).

## 4 Financial position

As the parent company of the GFT Group, GFT Technologies SE has concluded a syndicated loan agreement and several promissory note agreements to secure the long-term funding of the Group. The syndicated loan agreement with an amount of up to €80.00 million comprises two tranches: a Facility A credit line of up to €40.00 million and a Facility B revolving credit line of up to €40.00 million. As of 31 March 2018, €40.00 million of Facility A and €0.00 million of Facility B had been drawn. A total of €59.50 million had been drawn on the promissory note agreements as of 31 March 2018.

Compared to 31 December 2017, **cash and cash equivalents** rose by €5.91 million to €78.15 million (31 December 2017: €72.24 million). The increase in Group liquidity as of 31 March 2018 was mainly due to cash from operating activities which was more than offset by cash outflows for the redemption of financial loans in particular.

As of 31 March 2018, the GFT Group had unused credit lines of €71.40 million. The net liquidity of the GFT Group – calculated as the stock of disclosed cash and cash equivalents less financial liabilities – improved from €-39.29 million as of 31 December 2017 to €-30.24 million on 31 March 2018.

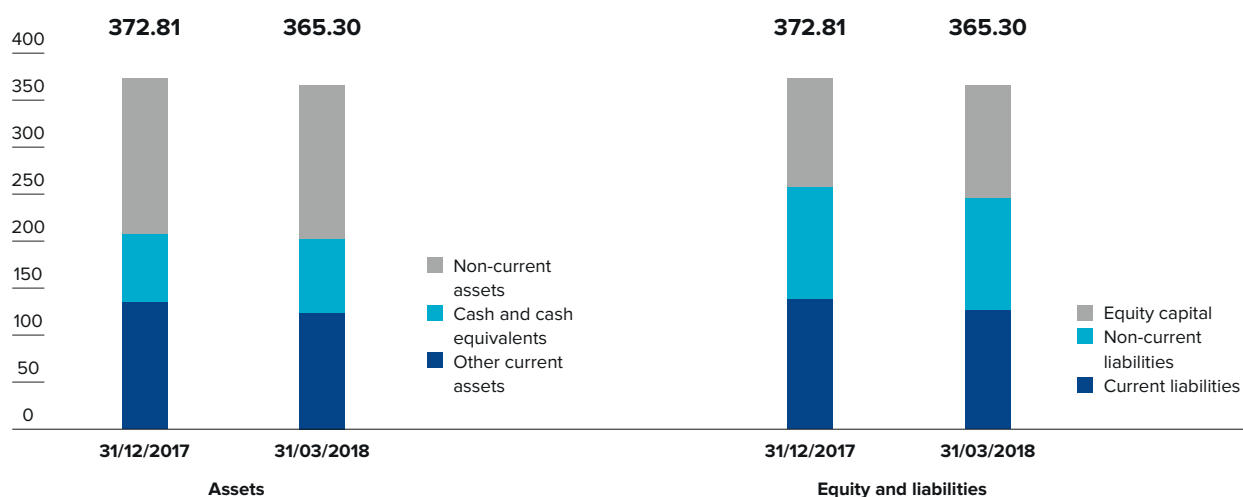
In the first three months of the financial year, **cash flows from operating activities** resulted in a cash inflow of €9.96 million (Q1/2017: cash outflow of €16.92 million). Cash flows from the operating activities of the GFT Group are generally negative in the first part of the year. The positive year-on-year difference of €26.88 million is mainly due to the decline in trade receivables, as well as the change in trade payables and other liabilities. The decrease in trade receivables results mainly from a settlement payment made by a client in connection with a legal dispute.

**Cash flows from investing activities** in the first quarter of 2018 amounted to €-0.72 million, compared to €-2.41 million in the comparative period. The main reason for this trend was reduced capital expenditure of €0.66 million (Q1/2017: €1.91 million).

**Cash flows from financing activities** in the first quarter of 2018 led to a net outflow of €3.15 million (Q1/2017: cash inflow of €1.03 million). The year-on-year change of €4.18 million was due in particular to payments for the redemption of loans totalling €5.07 million (Q1/2017: €0.09 million).

## 5 Asset position

Group balance sheet structure as of 31 March 2018  
in € million



### Assets

in € million	31/03/2018	31/12/2017
Non-current assets	163.41	165.14
Cash and cash equivalents	78.15	72.24
Other current assets	123.74	135.43
	<b>365.30</b>	<b>372.81</b>

### Equity and liabilities

in € million	31/03/2018	31/12/2017
Equity capital	119.95	115.32
Non-current liabilities	119.43	119.60
Current liabilities	125.92	137.89
	<b>365.30</b>	<b>372.81</b>



The GFT Group applied the new regulations of IFRS 15 'Revenue from Contracts with Customers' for the first time as of 1 January 2018. This resulted in the following changes to the consolidated balance sheet: claims arising from performance obligations already fulfilled for which the client's consideration has not yet been received are carried as a contract asset if the claim to consideration is still conditional. On the other hand, if the claim to client consideration is unconditional and only dependent on the passage of time, it is recognised as a trade receivable. If the client paid the consideration, or a part of it, before the good was delivered or the service rendered, a contract liability is recognised. Such items used to be recognised as advance payments under other liabilities. Due to the chosen transitional method, the corresponding prior-year figures have not been adjusted. There were no significant effects for the GFT Group from the amended valuation regulations of IFRS 15.

Compared to 31 December 2017, the balance sheet total of the GFT Group fell from €372.81 million to €365.30 million as of 31 March 2018. The decline was mainly due to reduced trade receivables. The ratio of non-current assets to the balance sheet total amounted to 45% and was thus almost unchanged from year-end 2017 (31 December 2017: 44%).

**Non-current assets** of €163.41 million were slightly below the figure at year-end 2017 (€165.14 million), due mainly to lower other intangible assets. The decline in other intangible assets to €21.79 million as of 31 March 2018 (31 December 2017: €23.28 million) resulted above all from currency translation and scheduled amortisation.

As of 31 March 2018, **current assets** stood at €201.89 million and were thus €5.79 million below the year-end figure (31 December 2017: €207.68 million). Within current assets, there was a particularly strong decline in trade receivables and contract assets which together fell by €10.94 million, from €113.48 million as of 31 December 2017 to €102.54 million on 31 March 2018. This was almost exclusively due to a settlement payment resulting from the completion of a legal dispute. In line with the decline in trade receivables and contract assets, cash and cash equivalents rose by €5.91 million to €78.15 million as of 31 March 2018 (31 December 2017: €72.24 million).

Compared to 31 December 2017, the **equity capital** of the GFT Group rose by €4.63 million to €119.95 million (31 December 2017: €115.32 million). This increase was due in particular to the net income generated in the reporting period of €4.97 million. Other items were largely unchanged.

The **equity ratio** as of 31 March 2018 stood at 33% with a simultaneous decline in total assets of 2%-points compared to the previous year (31 December 2017: 31%).

**Non-current liabilities** of €119.43 million as of 31 March 2018 were on a par with the previous year (31 December 2017: €119.60 million).

Compared to year-end 2017, **current liabilities** fell by €11.97 million to €125.92 million (31 December 2017: €137.89 million). Within the current liabilities, there was a particularly strong decline in other liabilities – including contract liabilities – of €5.26 million, from €44.37 million to €39.11 million as of 31 March 2018. As with the reduction of trade payables to €11.45 million (31 December 2017: €14.47 million), this decrease was due to the slight decline in business volume and closing-date effects on working capital. Moreover, financial liabilities as of 31 March 2018 fell to €2.20 million (31 December 2017: €5.29 million), due mainly to the redemption of bank loans.

As of 31 March 2018, the GFT Group's **debt ratio** fell by 2%-points to 67% (31 December 2017: 69%).

## 6 Non-financial performance indicators

As of 31 March 2018, the GFT Group employed a total of 4,735 people – 2% down on the end of the prior-year period (31 March 2017: 4,833). Compared to year-end 2017, the number of employees was virtually unchanged (31 December 2017: 4,740).

Headcount in the *Americas & UK* segment as of 31 March 2018 was 9% down on the previous year at 1,169 full-time employees (31 March 2017: 1,286). The decline was mainly due to restructuring measures in the UK and USA, which also extended to the downstream nearshore development centres in Poland and Brazil.

As of 31 March 2018, headcount in the *Continental Europe* segment increased slightly year on year by 1% to 3,447 (31 March 2017: 3,425). Compared to 31 December 2017, the number of employees remained almost constant (3,455).

119 people were employed by the holding company at the end of the first quarter – 3 fewer than on 31 March 2017 (122). Headcount at the holding company amounted to 121 as of 31 December 2017.

As of 31 March 2018, the GFT Group employed 356 people in Germany – representing a year-on-year increase of 10% (31 March 2017: 323). There were no significant changes compared to 31 December 2017 (355).

The productive utilisation rate based on the use of production staff in client projects rose by 2%-points to 90% in the first quarter of 2018 (Q1/2017: 88%).

### Employees by segment Q1/2018 compared to Q1/2017

	31/03/2018	31/03/2017	Δ %
<i>Americas &amp; UK</i>	1,169	1,286	-9%
<i>Continental Europe</i>	3,447	3,425	1%
<i>Others</i>	119	122	-2%
<b>Total</b>	<b>4,735</b>	<b>4,833</b>	<b>-2%</b>

### Employees by segment Q1/2018 compared to Q4/2017

	31/03/2018	31/12/2017	Δ %
<i>Americas &amp; UK</i>	1,169	1,164	0%
<i>Continental Europe</i>	3,447	3,455	0%
<i>Others</i>	119	121	-2%
<b>Total</b>	<b>4,735</b>	<b>4,740</b>	<b>0%</b>

### Employees by country Q1/2018 compared to Q1/2017

	31/03/2018	31/03/2017	Δ %
Spain	2,064	2,023	2%
Brazil	678	727	-7%
Italy	567	568	0%
Poland	530	576	-8%
Germany	356	323	10%
Mexico	186	143	30%
UK	146	227	-36%
Costa Rica	110	123	-11%
Switzerland	49	57	-14%
USA	43	62	-31%
Canada	6	4	50%
<b>Total</b>	<b>4,735</b>	<b>4,833</b>	<b>-2%</b>

### Employees by country Q1/2018 compared to Q4/2017

	31/03/2018	31/12/2017	Δ %
Spain	2,064	2,104	-2%
Brazil	678	686	-1%
Italy	567	561	1%
Poland	530	503	5%
Germany	356	355	0%
Mexico	186	161	16%
UK	146	158	-8%
Costa Rica	110	112	-2%
Switzerland	49	53	-8%
USA	43	42	2%
Canada	6	5	20%
<b>Total</b>	<b>4,735</b>	<b>4,740</b>	<b>0%</b>

Headcount is calculated on the basis of full-time employees; part-time employees are included pro rata. Changes in headcount are presented in comparison to the reporting dates of the corresponding prior-year period and additionally in comparison to the reporting date figures at the end of the past financial year.

## 7 Forecast report

The GFT Group confirms its **guidance for the financial year 2018** as presented in the combined management report 2017:

- The GFT Group expects **total revenue within a range of €400.00 million to €420.00 million**.
- **EBITDA** is expected to increase to **at least €39.00 million** and **EBT** to **at least €25.00 million**.

The GFT Group assumes that the revenue trend will continue to be influenced by the budget restrictions of two investment banking clients in the financial year 2018, with a particular impact on the *Americas & UK* division. In order to counter this effect, business with other existing clients in the UK and USA is to be expanded and new clients for digitalisation projects in the field of retail banking are to be targeted. In the *Continental Europe* division, the company expects growth to be aided by new solution offerings in the field of exponential banking and the renewal of core banking systems.

Growth drivers for both segments include projects based on new technologies, such as blockchain, cloud, data analytics and artificial intelligence. In Germany, this technology expertise will also be offered to specific companies in the industrial sector in order to assist their implementation of Internet-of-Things solutions.

The GFT Group expects that the realignment of the *Americas & UK* division in 2017 and the absence of various special items will result in a significant improvement in EBITDA and EBT in 2018.

### Medium-term prospects of the GFT Group

The GFT Group confirms its medium-term guidance. The company plans to achieve consolidated revenue of €800.00 million with an EBITDA margin of around 12% in 2022.

### Assumptions for the forecasts

Our forecasts are based on the assumptions stated regarding overall economic development and the development of the financial services sector and IT industry. These forecasts take account of all events known at the time of preparing this report that might have an impact on the performance of the GFT Group.

This document is a quarterly statement pursuant to Sec. 53 of the Exchange Rules for the Frankfurt Stock Exchange.

Stuttgart, 9 May 2018



## Equity and liabilities

in €	31/03/2018	31/12/2017 <sup>1</sup>
<b>Shareholders' equity</b>		
Share capital	26,325,946.00	26,325,946.00
Capital reserve	42,147,782.15	42,147,782.15
Retained earnings		
Other retained earnings	22,243,349.97	22,243,349.97
Changes not affecting net income	-24,214,578.21	-23,936,399.37
Other comprehensive income		
Actuarial gains/losses	-2,660,322.66	-2,670,281.68
Currency translation differences	-5,896,813.72	-6,010,354.83
Consolidated net profit	62,007,589.74	57,222,179.27
	<b>119,952,953.27</b>	<b>115,322,221.51</b>
<b>Non-current liabilities</b>		
Other financial liabilities	0.00	0.00
Financial liabilities	106,186,636.55	106,243,843.28
Provisions for pensions	8,625,645.88	8,573,473.57
Other provisions	1,650,350.93	1,586,594.52
Deferred tax liabilities	2,965,106.72	3,199,680.73
	<b>119,427,740.08</b>	<b>119,603,592.10</b>
<b>Current liabilities</b>		
Other provisions	35,944,646.52	37,718,328.73
Tax liabilities	2,103,039.09	1,301,986.41
Contract liabilities	18,933,782.62	0.00
Financial liabilities	2,199,270.10	5,291,219.39
Trade payables	11,453,769.23	14,469,618.07
Other financial liabilities	35,109,577.16	34,732,187.82
Other liabilities	20,174,206.17	44,374,703.31
	<b>125,918,290.88</b>	<b>137,888,043.73</b>
	<b>365,298,984.24</b>	<b>372,813,857.34</b>

## 9 Consolidated Income Statement (IFRS, unaudited)

for the period from 1 January to 31 March 2018, GFT Technologies SE

in €	Q1/2018	Q1/2017 <sup>1</sup>
Revenue	106,987,555.55	111,100,217.60
Other operating income	663,303.16	684,705.62
	<b>107,650,858.71</b>	<b>111,784,923.22</b>
Cost of purchased services	14,383,614.01	13,788,210.46
Personnel expenses		
a) Wages and salaries	55,990,211.89	60,514,960.55
b) Social security contributions and expenditures	12,067,052.38	11,886,833.06
	<b>68,057,264.27</b>	<b>72,401,793.61</b>
Depreciation and amortisation of intangible assets and property, plant and equipment	3,181,461.98	2,968,842.04
Other operating expenses	15,116,823.58	15,669,531.13
<b>Result from operating activities</b>	<b>6,911,694.87</b>	<b>6,956,545.98</b>
Other interest and similar income	47,009.54	112,180.99
Result of investments accounted for using the equity method	-38,390.81	-4,791.56
Interest and similar expenses	397,423.15	433,434.00
<b>Financial result</b>	<b>-388,804.42</b>	<b>-326,044.57</b>
<b>Earnings before taxes</b>	<b>6,522,890.45</b>	<b>6,630,501.41</b>
Income taxes	1,553,430.61	1,640,339.64
<b>Net income for the period</b>	<b>4,969,459.84</b>	<b>4,990,161.77</b>
Earnings per share – basic	0.19	0.19

<sup>1</sup> The GFT Group has initially applied IFRS 9 and IFRS 15 at 1 January 2018. Under the cumulative retrospective transition method chosen, comparative information is not restated.

## 10 Consolidated Statement of Comprehensive Income (IFRS, unaudited)

for the period from 1 January to 31 March 2018, GFT Technologies SE

in €	Q1/2018	Q1/2017 <sup>1</sup>
<b>Net income for the period</b>	<b>4,969,459.84</b>	<b>4,990,161.77</b>
Items that will not be reclassified to the income statement		
Actuarial gains/losses	12,768.79	-8,360.80
Income taxes on items in the other comprehensive income	-2,809.77	2,268.75
Items that may be reclassified to the income statement		
Currency translation of net investments in foreign business operations	20,342.87	0.00
Gains/losses from currency translation of foreign subsidiaries	93,198.24	-202,038.41
Other comprehensive income	123,500.13	-208,130.46
<b>Total comprehensive income</b>	<b>5,092,959.97</b>	<b>4,782,031.31</b>

<sup>1</sup> The GFT Group has initially applied IFRS 9 and IFRS 15 at 1 January 2018. Under the cumulative retrospective transition method chosen, comparative information is not restated.

## 11 Consolidated Statement of Changes in Equity (IFRS, unaudited)

as at 31 March 2018, GFT Technologies SE

	Share capital	Capital reserve
in €		
<b>Balance at 1 January 2017</b>	<b>26,325,946.00</b>	<b>42,147,782.15</b>
Valuation of variable purchase price liabilities		
Total comprehensive income for the period 01/01/2017 – 31/03/2017		
<b>Balance at 31 March 2017</b>	<b>26,325,946.00</b>	<b>42,147,782.15</b>
<b>Balance at 1 January 2018<sup>1</sup></b>	<b>26,325,946.00</b>	<b>42,147,782.15</b>
Effects from the initial application of IFRS 9		
Effects from the initial application of IFRS 15		
<b>Adjusted balance at 1 January 2018</b>	<b>26,325,946.00</b>	<b>42,147,782.15</b>
Valuation of variable purchase price liabilities		
Total comprehensive income for the period 01/01/2018 – 31/03/2018		
<b>Balance at 31 March 2018</b>	<b>26,325,946.00</b>	<b>42,147,782.15</b>

<sup>1</sup> The GFT Group has initially applied IFRS 9 and IFRS 15 at 1 January 2018. Under the cumulative retrospective transition method chosen, comparative information is not restated.

<sup>2</sup> Net income for the period



Retained earnings		Other comprehensive income		Consolidated net profit/loss	Total equity
Other retained earnings	Changes not affecting net income	Actuarial gains/losses	Currency translation differences		
22,243,349.97	-20,296,182.84	-2,764,248.94	2,215,605.09	47,311,135.14	117,183,386.57
	-255,365.23				-255,365.23
		-6,092.05	-202,038.41	4,990,161.77	4,782,031.31
22,243,349.97	-20,551,548.07	-2,770,340.99	2,013,566.68	52,301,296.91	121,710,052.65
22,243,349.97	-23,936,399.37	-2,670,281.68	-6,010,354.83	57,222,179.27	115,322,221.51
				-184,049.37	-184,049.37
				0.00	0.00
22,243,349.97	-23,936,399.37	-2,670,281.68	-6,010,354.83	57,038,129.90	115,138,172.14
	-278,178.84				-278,178.84
		9,959.02	113,541.11	4,969,459.84 <sup>2</sup>	5,092,959.97
22,243,349.97	-24,214,578.21	-2,660,322.66	-5,896,813.72	62,007,589.74	119,952,953.27

## 12 Consolidated Cash Flow Statement (IFRS, unaudited)

for the period from 1 January to 31 March 2018, GFT Technologies SE

in €	Q1/2018	Q1/2017 <sup>1</sup>
Net income for the period	4,969,459.84	4,990,161.77
Income taxes	1,553,430.61	1,640,339.64
Interest income	350,413.61	321,253.00
Interest paid	-192,906.46	-216,409.73
Interest received <sup>2</sup>	43,439.04	28,662.76
Income taxes paid	-252,349.85	-795,247.27
Depreciation and amortisation of intangible assets and property, plant and equipment	3,181,461.98	2,968,842.04
Changes in provisions	-1,556,310.75	-220,064.74
Other non-cash expenses and income	-383,561.47	220,840.57
Net proceeds on disposal of intangible assets and property, plant and equipment	33,345.72	998.10
Changes in contract assets	-13,243,009.46	0.00
Changes in trade receivables	25,458,172.64	-9,637,786.38
Changes in other assets	1,434,558.16	465,153.97
Changes in contract liabilities	-5,347,174.99	0.00
Changes in trade payables and other liabilities	-6,086,129.70	-16,686,457.66
<b>Cash flow from operating activities</b>	<b>9,962,838.92</b>	<b>-16,919,713.93</b>
Proceeds from disposal of property, plant and equipment	17,743.19	0.00
Capital expenditure for intangible assets	-76,106.80	-156,740.65
Capital expenditure for property, plant and equipment	-659,047.51	-1,910,807.06
Cash outflows for acquisitions of consolidated companies net of cash and cash equivalents acquired	0.00	-338,519.11
<b>Cash flow from investing activities</b>	<b>-717,411.11</b>	<b>-2,406,066.82</b>

<sup>1</sup> The GFT Group has initially applied IFRS 9 and IFRS 15 at 1 January 2018. Under the cumulative retrospective transition method chosen, comparative information is not restated.

<sup>2</sup> In prior period shown under cash flow from investing activities

in €	Q1/2018	Q1/2017 <sup>1</sup>
Proceeds from borrowing	1,923,073.82	1,128,355.96
Cash outflows from loan repayments	-5,072,229.84	-93,367.41
<b>Cash flow from financing activities</b>	<b>-3,149,156.02</b>	<b>1,034,988.55</b>
Effect of foreign exchange rate changes on cash and cash equivalents	-192,905.84	130,420.36
Net increase in cash and cash equivalents	5,903,365.95	-18,160,371.84
Cash and cash equivalents at beginning of period	72,246,225.54	62,290,469.48
<b>Cash and cash equivalents at end of period</b>	<b>78,149,591.48</b>	<b>44,130,097.64</b>

## 13 Information on Business Segments (IFRS, unaudited)

for the period from 1 January to 31 March 2018, GFT Technologies SE

in € thsd.	GFT Group			
	Americas & UK		Continental Europe	
	Q1/2018	Q1/2017	Q1/2018	Q1/2017
External revenue	47,900	54,864	58,981	56,075
Inter-segment revenue	1,010	1,724	20,652	20,652
<b>Total revenue</b>	<b>48,910</b>	<b>56,588</b>	<b>79,633</b>	<b>76,727</b>
Scheduled depreciation and amortisation	-1,203	-1,253	-1,767	-1,487
Other material non-cash items	172	98	-24	67
Interest income	42	148	112	130
Interest expenses	-322	-431	-168	-229
Result of investments accounted for using the equity method	0	0	0	0
<b>Segment result (EBT)</b>	<b>1,893</b>	<b>-2,286</b>	<b>4,908</b>	<b>8,450</b>

Total		Reconciliation		GFT Group	
Q1/2018	Q1/2017	Q1/2018	Q1/2017	Q1/2018	Q1/2017
106,881	110,939	107	161	106,988	111,100
21,662	22,376	-21,662	-22,376	0	0
<b>128,543</b>	<b>133,315</b>	<b>-21,555</b>	<b>-22,215</b>	<b>106,988</b>	<b>111,100</b>
-2,970	-2,740	-211	-228	-3,181	-2,968
148	165	236	-386	384	-221
156	278	-109	-166	47	112
-490	-660	93	227	-397	-433
0	0	-38	-5	-38	-5
<b>6,801</b>	<b>6,164</b>	<b>-278</b>	<b>467</b>	<b>6,523</b>	<b>6,631</b>

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