



Report for the
first quarter 2014

DIGITAL

TRUST

PLATFORMS

THE GfK GROUP AT A GLANCE

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GfK is the trusted source of relevant market and consumer information that enables its clients to make smarter decisions. More than 13,000 market research experts combine their passion with GfK's 80 years of data science experience. This allows GfK to deliver vital global insights matched with local market intelligence from more than 100 countries. By using innovative technologies and data sciences, GfK turns big data into smart data, enabling its clients to improve their competitive edge and enrich consumers' experiences and choices.

in EUR million ¹⁾	1. Quarter		Change in %	2013	2013 ²⁾
	2013	2014			
Earnings situation					
Sales	347.9	334.9	- 3.7	1,494.8	1,494.8
Gross income from sales	98.9	99.4	0.5	486.8	486.8
EBITDA	32.2	34.6	7.5	225.4	225.4
Adjusted operating income	23.0	23.6	2.7	190.4	190.4
Margin in per cent ³⁾	6.6	7.0		12.7	12.7
Operating income	18.5	19.3	4.5	26.5	141.1
EBIT	18.8	20.2	7.2	28.9	143.5
Consolidated total income	8.8	10.0	13.3	- 41.3	72.5
Basic earnings per share in EUR	0.17	0.19	11.8	- 1.48	1.66
Investment and finance					
Cash flow from operating activity	9.5	18.3	92.7	164.0	
Cash flow from investing activity	- 41.8	- 13.8	- 67.0	- 117.5	
Cash flow from financing activity	73.5	- 3.1	- 104.2	- 31.5	
Free cash flow after acquisitions, other investments and asset disposals	- 32.3	4.5	113.9	46.6	

	31.12.2013	31.03.2014	Change as of 31.12. in %	31.03.2013	31.03.2014	Change as of 31.03. in %
Asset and capital position						
Total assets	1,696.4	1,708.0	0.7	1,904.4	1,708.0	- 10.3
Equity	663.7	672.7	1.3	785.5	672.7	- 14.4
Equity ratio in per cent	39.1	39.4		41.3	39.4	
Liquidity ⁴⁾	72.0	71.8	- 0.3	108.6	71.8	- 33.9
Net debt ⁵⁾	427.5	429.0	- 0.3	476.5	429.0	- 10.0
Employees						
No. of employees	12,940	13,133	1.5	12,881	13,133	2.0
Share of employees in the GfK companies outside Germany in per cent	83.1	83.3		83.2	83.3	

1) Rounded

2) Excluding the goodwill impairment of € 114.6 million

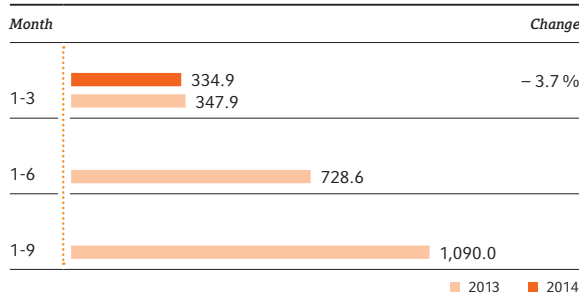
3) Adjusted operating income in relation to sales

4) Cash and cash equivalents plus securities and fixed-term deposits

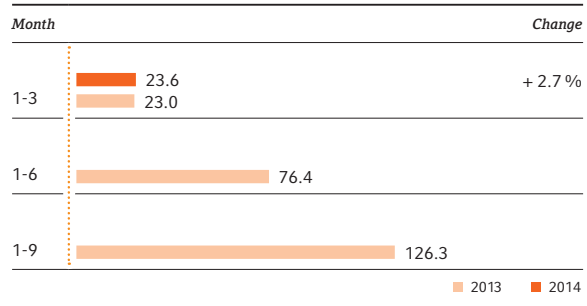
5) Liabilities to banks plus pension obligations, liabilities under leases and other interest-bearing liabilities less cash and cash equivalents and securities and fixed-term deposits

BUSINESS DEVELOPMENT AT A GLANCE OF GfK GROUP

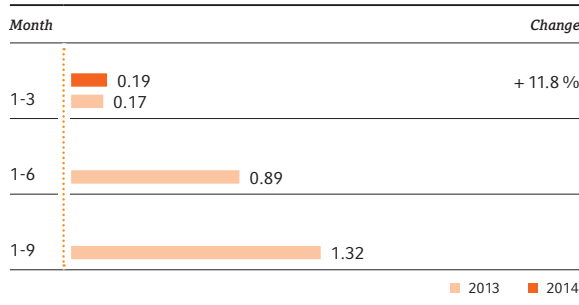
SALES IN EUR MILLION



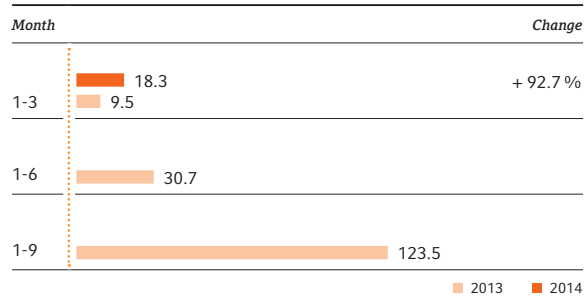
ADJUSTED OPERATING INCOME IN EUR MILLION



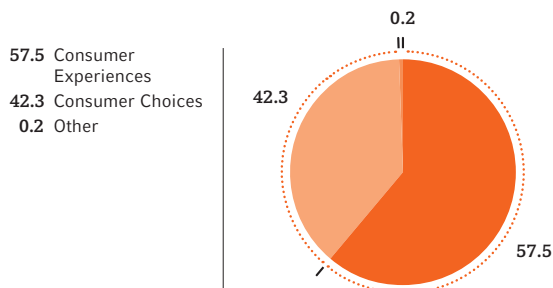
EARNINGS PER SHARE IN EUR



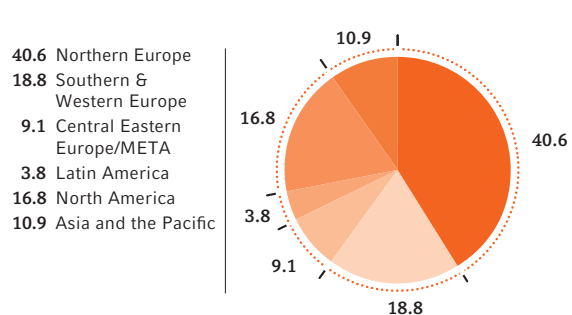
CASH FLOW FROM OPERATING ACTIVITY IN EUR MILLION



SHARE OF SECTORS IN TOTAL SALES in percent¹⁾



SHARE OF REGIONS IN TOTAL SALES in percent¹⁾



1) Figures from the Management-Information System – rounded

1) Figures from the Management-Information System – rounded

THE SECTORS AT A GLANCE

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CONSUMER EXPERIENCES

The Consumer Experiences sector deals with consumer habits, behavior, perceptions and attitudes and answers the who, why and how of consumption. This research is based on flexible creative methods. GfK is developing pioneering new procedures to deliver a profound understanding of how consumers experience brands and services.

<i>In EUR million</i>	1. Quarter		<i>Change in %</i>
	2013	2014	
Sales	206.8	192.5	- 6.9
Adjusted operating income	2.4	4.4	82.5
Margin in per cent ¹⁾	1.2	2.3	

Figures from the Management-Information System – rounded
1) Adjusted operating income in relation to sales

CONSUMER CHOICES

The Consumer Choices sector investigates what's selling when and where. It focuses on the continuous assessment of market segments and trends by analyzing all major sales and information channels and media.

<i>In EUR million</i>	1. Quarter		<i>Change in %</i>
	2013	2014	
Sales	139.8	141.6	1.3
Adjusted operating income	23.0	23.9	3.8
Margin in per cent ¹⁾	16.5	16.9	

Figures from the Management-Information System – rounded
1) Adjusted operating income in relation to sales

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LETTER TO THE SHAREHOLDERS

Ladies and Gentlemen,

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MATTHIAS HARTMANN
CHIEF EXECUTIVE OFFICER
OF GfK SE

GfK achieved a significant increase in all profit indicators in the first three months of financial year 2014 compared with the previous year, but more work remains to be done. 2014 is the year in which we aim to essentially conclude the company's transformation with enhanced global integration and a more extensive digital product offering. This Group reorganization primarily entails a realignment of the product range in the Consumer Experiences sector to achieve innovative, global premium products. At the same time, it means that we accept a temporary sales decrease in product segments where there is little differentiation. The key transformation processes are scheduled to be completed by the end of this year. Based on this, we then also intend to return to growth in the Consumer Experiences sector.

The trend in our profit indicators is satisfactory. Our target figure, the margin on adjusted operating income, rose from 6.6% to 7.0%. With regard to the other comparative figures, GfK achieved an even stronger performance. EBITDA increased continually in the past four quarters, and the EBITDA margin now stands at 10.3%. After the first three months of the year, consolidated total income amounted to €10.0 million, which represents an increase of 13.3% on the same quarter in the previous year. GfK has also succeeded in generating a high cash flow from income. The cash flow from operating activities almost doubled on the previous year, with an increase of €8.8 million. This enabled us to finance our expenditure on maintenance and replacement of equipment and reduce our liabilities. Combined with an equity ratio of 39.4%, GfK's funding power is solid. In the first quarter of this year, the trend in exchange rates had a det-

perimental effect. The strong euro wiped out our significant growth rates in many regions. This devaluation during the reporting period particularly affected the currencies in North America, Russia, Japan and Brazil. With the exception of North America, these countries are all in regions where GfK has traditionally won market share based on double-digit growth rates. In terms of the margin, GfK's global business model has largely made it possible to compensate for these fluctuations by ensuring that investment and revenues are processed in the relevant local currency.

The income trend was very pleasing in both corporate sectors while the sales trend varied.

The Consumer Choices sector achieved a further increase compared with its previous strong margin, from 16.5% to 16.9%, and expanded its business in organic terms by 4.2%. The sector is very well placed and, as market leader, is continuously gaining new international contracts. In the segment of Audience Measurement, we realized first sales in connection with the radio ratings contract in Australia. In Saudi Arabia, a major contract for TV research with an initial term of five years was signed in January this year. In Brazil, where a large-scale TV research contract was also awarded to GfK at the end of last year, the panel set-up commenced, with the delivery of data scheduled to start in 2015. The GfK Mobile Insights service was launched in the first countries. We have secured three clients for our Mobile Insights service in the UK from differing vertical markets, which demonstrates the scalability of the service. These are important developments which reflect the sector's business potential.

This is also precisely the direction in which we are developing our second sector, Consumer Experiences. Here, too, we have seen initial successes. The sector's profit margin almost doubled from 1.2% to 2.3%. However, the sector's sales decreased by 3.8% in organic terms. Since the start of this year, basic conditions have improved again, and the level of incoming orders was up in almost all of the regions. This year, our focus is on increasing the profit margin, even if it continues to be affected by ongoing expenses for the sector's realignment.

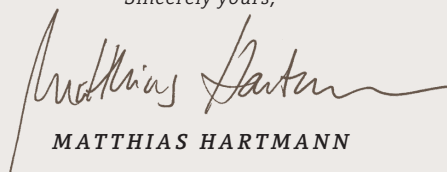
The level of incoming orders in the GfK Group remained very satisfactory, with 59.1% of the annual sales required to achieve the forecast already posted at the end of March. At the end of January 2014, the corresponding figure was 42%.

Our first priority is to gear GfK to digital and global business today. This year, we will also create the conditions for improving the company's earnings power. In the Consumer Experiences sector, we will prioritize income growth over sales growth in the current year. At the beginning of 2014, we announced our strategic roadmap, comprising 15 core projects for the ongoing reorganization of the Group. Based on it, we intend to maximize the focus on our company's digital expertise and achieve our goal of becoming One GfK by increasingly harmonizing and coordinating our in-house systems and processes.

Like all major transformation processes, our reorganization also ties up resources and places an additional workload on our employees. We are already seeing the first successes and will make every effort to ensure that we can confirm at the end of this year that all the hard work has paid off. We are shaping a future-proof GfK which converts the new requirements of an increasingly digital and global economy into new business.

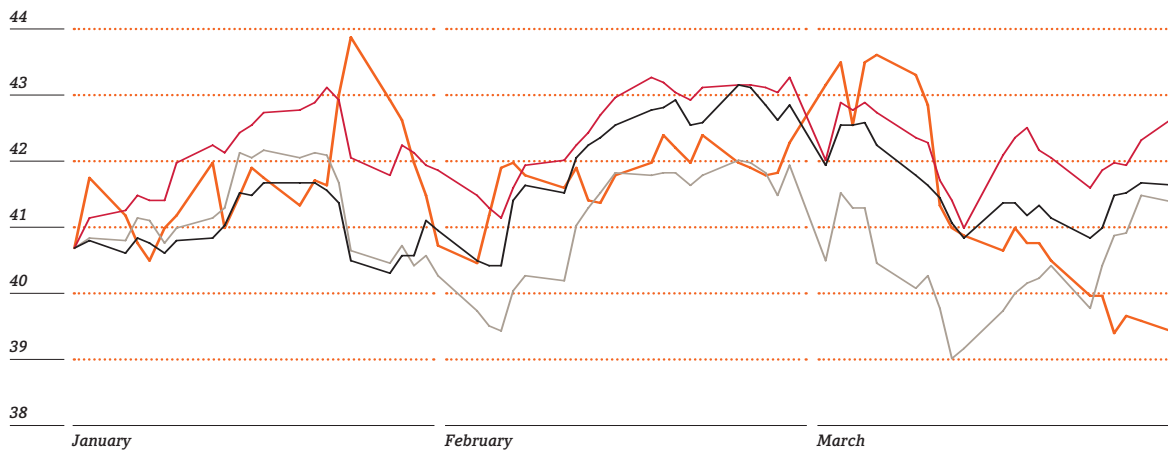
I trust that you will continue to accompany us on this path.

Sincerely yours,


MATTHIAS HARTMANN

GfK SHARE PERFORMANCE

GfK SHARE PRICE PERFORMANCE FROM JANUARY 1, 2014, TO MARCH 31, 2014¹⁾ IN EUR



¹⁾ All values are indexed to the GfK share price, closing prices, in EUR
 ● GfK ● DAX 30 Performance ● SDAX Performance ● Dow Jones Euro Stoxx Media

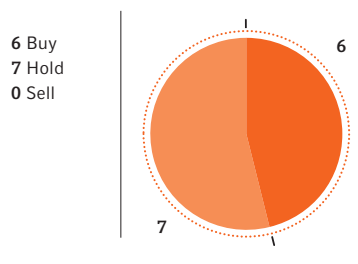
The opening price of GfK shares at the beginning of 2014 was €40.70. At the end of January, the share price reached the high for the quarter at €43.86 and subsequently moved largely in parallel with the SDAX. In March, the share price was not sustainable and GfK shares ended the quarter at €39.43, which was 3% down on the share price at the start of the year. Over the full quarter, the GfK share price performance was below the benchmark index (SDAX), which climbed 5% in the first quarter of 2014.

The average trading volume for GfK shares of 7,555 per day was below the previous year's volume of 9,333 per day.

In the first quarter of 2014 – now a tradition – the seventh GfK Capital Market Day was held in Frankfurt/Main. Once again, more than 30 analysts and institutional investors from Germany, France and the UK seized the opportunity in January to speak with members of the GfK Management Board. GfK is covered by national and international financial analysts. At the end of March, of the 13 analysts rating GfK shares, six recommended the stock as “buy” and a further seven as “hold”.

As at 31 March 2014, the number of shares in free float stood at 43.9%. At the same time, 0.02% of the shares were held by GfK's Management and Supervisory Boards, with 38.49% in institutional hands and 5.34% held by private investors.

ANALYST RATINGS AS OF 31.03.2014



GfK share ¹⁾		2013	Q1 2014
Number of shares	in thousands	36,504	36,504
Market Capitalization	EUR mio	1,470	1,439
High/Low	EUR	44.80/35.90	43.86/39.43
Close	EUR	40.30	39.43
Earnings per share	EUR	1.66 ²⁾	0.19

¹⁾ as of reporting dates

²⁾ Excluding the goodwill impairment of € 114.6 million

GfK – ALL PROFIT INDICATORS UP DESPITE SALES DECREASE

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- Adjusted operating income increases by 2.7% despite lower sales volume. Margin climbs to 7.0% (previous year: 6.6%)
- Sales in organic terms down by 0.7%, with currency effects depressing overall growth to -3.7%
- Realignment of the product range is evident
- EBITDA up by 7.5% to €34.6 million.
- Significant rise in cash flow from operating activities to €18.3 million (previous year: €9.5 million)
- Forecast for the year confirmed

The GfK Group achieved higher income in the first quarter of the 2014 financial year in both absolute and relative terms. At the same time, the Group almost doubled its cash flow from operating activities, despite sales being down 3.7% to €334.9 million. The sales trend was significantly impacted by currency effects of -3.1%. In organic terms, sales decreased slightly by 0.7%. This reduction in sales was exclusively caused by the Consumer Experiences sector, where the realignment of the product portfolio resulted in a sales decrease. The Consumer Choices sector achieved 4.2% growth in organic terms.

The regions Latin America, Asia and the Pacific and Central Eastern Europe/META recorded double-digit growth rates in organic terms, although negative currency effects were also considerable in all these regions. At the same time, a downward trend in sales was reported for Europe and North America. Compared with the same quarter in the previous year, the Group's adjusted operating income rose by 9.3% in organic terms. However, currency effects also had a negative impact in these regions. As a result, adjusted operating income rose by only 2.7% to €23.6 million in total. The margin was increased from 6.6% in the previous year to 7.0%. A 7.5% rise was achieved in EBITDA while the increase in consolidated total income was even more marked – up 13.3% to €10.0 million.

At the end of March 2014, a total of 59.1% of the annual sales required to achieve the forecast had already been posted or were in the order book (previous year, invoicing based coverage: 56.6%).

INTERIM MANAGEMENT REPORT

1. GENERAL ECONOMIC SITUATION

The global economic recovery has continued, although the trend has somewhat weakened since the beginning of this year according to the European Central Bank's monthly report. Overall, minor growth in the industrialized countries was consolidated whereas the economies of many emerging markets were slowed down by economic and geopolitical difficulties. Sharp fluctuations in exchange rates also affected the growth trend in various regions.

2. ECONOMIC AND FINANCIAL DEVELOPMENT IN THE GfK GROUP

GfK's business is in a phase of realignment, which primarily concerns the Consumer Experiences sector. The focus in this sector is on improving income and the margin, whereas the Group pursues a growth strategy in the high-profit Consumer Choices sector. This course proved successful for GfK in the first quarter of 2014. Accordingly, the income and margin were increased, despite a slightly downward trend in sales.

Sales were down 3.7% to €334.9 million, mainly as a result of currency effects. In organic terms, a decrease of 0.7% was recorded. Although sales in the Consumer Experiences sector declined by 3.8% in organic terms, the Consumer Choices sector achieved an organic increase of 4.2%. At -3.1%, the impact of currency effects was evident at Group level. It primarily resulted from the devaluation of various Asian and Latin American currencies, as well as the strong euro against the dollar.

Acquisition-based growth of 0.1% played a secondary role.

GfK GROUP: KEY FIGURES

In EUR million (rounded)	1. Quarter 2013	1. Quarter 2014	Change in %
Sales	347.9	334.9	- 3.7
EBITDA	32.2	34.6	7.5
Adjusted operating income	23.0	23.6	2.7
Margin in percent ¹⁾	6.6	7.0	
Operating income	18.5	19.3	4.5
EBIT	18.8	20.2	7.2
Other financial income / expenses	- 5.1	- 4.6	8.7
Consolidated total income	8.8	10.0	13.3
Cash flow from operating activities	9.5	18.3	92.7
Earnings per share in EUR	0.17	0.19	11.8

1) Adjusted operating income in relation to sales

2) Consolidated total income attributable to equity holders of the parent plus highlighted items divided by the weighted average number of shares in the reporting period

Adjusted operating income (hereinafter: income) rose by 2.7% to €23.6 million in the first three months of 2014 (first quarter of 2013: €23.0 million). Here too, currency effects had a negative impact. In organic terms, income was up by 9.3%. Both corporate sectors contributed to this growth. With the rise in income, the GfK Group **margin** was also up by 0.4 percentage points to 7.0%.

Like its competitors, the GfK Group uses adjusted operating income as a key performance indicator. The explanations regarding business performance using adjusted operating income facilitate interpretation of the GfK Group's business development and enhance the informative value in comparison with other major companies operating in the market research sector. The adjusted operating income is determined by eliminating other expenses and income items that distort the evaluation of operating earnings power from operating income. The Group achieved a slight reduction in the balance of these expenses and income, which are referred to as highlighted items, from €-4.5 million reported in the same period of the previous year to €-4.3 million in the first three months of 2014. This change was mainly due to the impact of currency translation.

EBIT rose by 7.2% to €20.2 million and **EBITDA** by 7.5% to €34.6 million. Increased income from participations had a favorable impact.

The **other financial result**, which represents the balance of other financial income and other financial expenses, stood at €-4.6 million after €-5.1 million in the first quarter of 2013.

The **tax ratio** was 35.4% and therefore at the previous year's level (first quarter of 2013: 35.5%).

ADJUSTED OPERATING INCOME¹⁾

<i>In EUR million</i>	<i>Q1 2013</i>	<i>Q1 2014</i>
Operating income	18.5	19.3
Write-ups and write-downs of additional assets identified on acquisitions	- 2.5	- 1.7
Income and expenses in connection with share and asset deals	- 0.1	0.0
Income and expenses in connection with reorganization and improvement projects	- 1.8	- 1.4
Personnel expenses for share-based incentive payments	- 0.7	- 0.3
Currency conversion differences	0.6	- 0.4
Income and expenses related to one-off effects and other exceptional circumstances	0.0	- 0.6
Total highlighted items	- 4.5	- 4.3
Adjusted operating income	23.0	23.6

1) rounded

3. CASH FLOW AND INVESTMENT

The **Cash flow from operating activities** for the first three months of 2014 increased significantly to €18.3 million after €9.5 million in the first quarter of 2013. Working capital was reduced by €12.9 million.

Investment in intangible assets amounted to €6.1 million. Partly as a result of the completed panel set-up in Turkey and the completion of software projects, €2.3 million less were invested in intangible assets than in the same period of the previous year. The set-up of the TV panel in Brazil, which has started, will only impact from the second quarter of this year onwards. Investment in acquisitions saw an even sharper reduction. After €27.6 million in the first quarter of 2013, only €1.1 million was invested in the first three months of 2014. In total, this produced a decrease in the cash outflow from **investing activities** from €41.8 million to €13.8 million.

Accordingly, the **free cash flow after acquisitions, other investments and asset disposals** increased from €-32.3 million in the previous year's period to €4.5 million after the first three months of 2014.

At the end of March 2014, GfK had **cash and cash equivalents** of €70.0 million. The volume of this item was down on the figure as at the previous year's reporting date, because some loans were repaid (31 March 2013: €107.4 million). The unutilized credit lines amounted to €249.2 million as at 31 March 2014 (31 March 2013: €270.2 million).

4. ASSETS AND CAPITAL STRUCTURE

During the first three months of 2014, GfK SE's total assets increased by €12 million compared with the figure at year-end 2013 to €1,708 million.

As at 31 March 2014, equity increased slightly to €673 million, mainly as a result of profit reserves amounting to €7.0 million being set up (31 December 2013: €664 million). Compared with year-end 2013, the equity ratio rose by 0.3 percentage points to 39.4%. GfK SE's share capital was constant at €153 million.

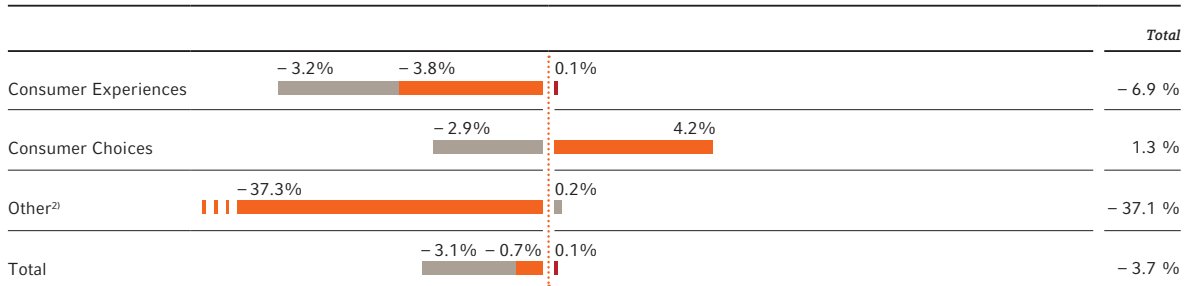
Net debt amounted to €429.0 million as at 31 March 2014. This represents an increase of €1.5 million on year-end 2013 and is a significant improvement on the previous year's figure of €472.5 million as at 31 March 2013.

As at 31 March 2014, the ratio of modified net debt to EBITDA was 1.88 (31 March 2013: 2.57) and the ratio of EBITDA to modified interest expenses 11.50 (31 March 2013: 9.09). The gearing ratio, which reflects net debt in relation to equity, amounted to 63.8 as at 31 March 2014, after 64.4 at the end of 2013. The covenants agreed with the banks were comfortably met once again. The revolving credit facility amounting to €200 million had not been drawn as at 31 March 2014.

5. TRENDS IN THE SECTORS

GfK conducts its business activities in two sectors, Consumer Experiences and Consumer Choices.

The Consumer Experiences sector deals with consumer habits, behavior, perceptions and attitudes and answers the who, why and how of consumption. GfK is developing pioneering new procedures to deliver a profound understanding of how consumers experience brands and services.

STRUCTURE OF SALES GROWTH BY SECTORS¹⁾

1) Figures from the Management-Information System – rounded
2) Other division

● Currency ● Acquisitions ● Organic

The Consumer Choices sector investigates what is bought by consumers, when and where. The main focus here is on continuous measurement of market volumes and trends. All the significant sales and information channels and media are included in the process of analysis.

CONSUMER EXPERIENCES¹⁾

in EUR million	1. Quarter		Change in %
	2013	2014	
Sales	206.8	192.5	- 6.9
Adjusted operating income	2.4	4.4	82.5
Margin in per cent ²⁾	1.2	2.3	

1) Figures from the Management-Information System – rounded
2) Adjusted operating income in relation to sales

Consumer Experiences: The sector's reorganization with a focus on increasing the margin is progressing according to schedule. Consumer Experiences continues to generate new business via newly launched products and investments in technology. New multicountry studies were secured with GfK Echo, a dynamic platform for capturing and aggregating customer feedback. GfK FuturePath which helps clients identify, size and prioritize market opportunities won new business with a key global technology firm. A global consumer goods manufacturer commissioned a program to understand the dynamics of mobile and tablet behavior on consumer purchase journeys – utilizing GfK's nurago enabled mobile panels in the US, China and UK. A focus on signing agreements for highly profitable projects will also continue. In the first three months of 2014, sales in the Consumer Experiences sector were down 6.9% on the figure for the same period in the previous year to €192.5 million. Of this, 3.2 percentage points were attributable to currency effects. In organic terms, sales decreased by 3.8%. This trend was partly the result of a weaker level of incoming orders in the last two months of the previous year, especially in Northern Europe. However, the trend in incoming orders has been positive in almost all of the regions since the beginning of this year. The new consumer panels set up in Turkey and South Africa made sales contributions.

In the first quarter of 2014, the sector's profitability developed positively, with income rising by a total of 82.5% to €4.4 million. The margin almost doubled from 1.2% in the same quarter of the previous year to 2.3%.

CONSUMER CHOICES¹⁾

in EUR million	1. Quarter		Change in %
	2013	2014	
Sales	139.8	141.6	1.3
Adjusted operating income	23.0	23.9	3.8
Margin in per cent ²⁾	16.5	16.9	

1) Figures from the Management-Information System – rounded
2) Adjusted operating income in relation to sales

Consumer Choices: Sales growth in the Consumer Choices sector amounted to 1.3%, with sales totaling €141.6 million. Organic growth accounted for 4.2%. However, exchange rate fluctuations had a negative impact of 2.9 percentage points.

The positive trend in Retail Tracking business was mainly driven by the regions of Asia and the Pacific as well as Southern and Western Europe, where considerable sales growth was recorded, especially in France following the conclusion of international contracts. Within the region of Asia, growth was achieved in China, in particular. In this region, the level of incoming orders was also high. In Audience Measurement, first sales were realized under the radio ratings contract in Australia. In Saudi Arabia, a major contract for TV research with an initial term of five years was signed. In Brazil, where a large-scale TV research contract was also awarded to GfK at the end of last year, the panel set-up commenced, with the delivery of data scheduled to start in the second half of 2015. The GfK Mobile Insights service was launched in the first countries. We have secured three clients for our Mobile Insights service in the UK from differing vertical markets, which demonstrates the scalability of the service. The clients' activities range from FMCG to gambling and digital markets.

The trend in the income reported by the Consumer Choices sector was very positive, with an increase in organic terms of 10.9%. However, marked currency effects depressed income growth to 3.8% overall. Despite the expenses for new products and the ongoing modernization of the production platform, the sector's margin was increased from 16.5% in the same period of the previous year to 16.9% in the first quarter of 2014.

OTHER¹⁾

in EUR million	1. Quarter		Change in %
	2013	2014	
Sales	1.3	0.8	- 37.1
Adjusted operating income	- 2.5	- 4.7	- 90.6

1) Figures from the Management-Information System – rounded

Other: Complementary to these two sectors is the Other category, which unites the central services that GfK provides for its subsidiary companies and other services unrelated to market research.

In the first three months of 2014, sales generated by the Other category of €0.8 million were lower than the comparative previous year's figure of €1.3 million. The amount of costs incurred by the segment, which were not covered, increased from €2.5 million in the same period of the previous year to €4.7 million as at 31 March 2014 following the expansion of centralized roles that are not assigned to a specific sector.

6. REGIONAL TRENDS

The GfK Group offers its products and services in over 100 countries via a network of subsidiaries. In geographic terms, business is divided into six regions: Northern Europe, Southern and Western Europe, Central Eastern Europe/META, Latin America, North America as well as Asia and the Pacific.

STRUCTURE OF SALES GROWTH IN THE REGIONS¹⁾

	Growth		Total
Northern Europe	- 3.6%	0.7%	- 2.8 %
Southern & Western Europe	- 2.5%	0.3%	- 2.2 %
Central Eastern Europe/META	- 10.3%	11.5%	1.2 %
Latin America	- 18.9%	10.0%	- 9.0 %
North America	- 7.5%	- 4.3%	- 11.8 %
Asia and the Pacific	- 9.3%	11.5%	2.2 %
Total	- 3.1%	- 0.7%	- 3.7 %

1) Figures from the Management-Information System – rounded

● Currency ● Acquisitions ● Organic

REGIONS: SALES GROWTH¹⁾

<i>in EUR million</i>	2013	1. Quarter		Change in %
		2013	2014	
Northern Europe	140.3	136.3	- 2.8	
Southern & Western Europe	64.3	62.9	- 2.2	
Central Eastern Europe/META	30.1	30.4	1.2	
Latin America	13.9	12.7	- 9.0	
North America	63.7	56.2	- 11.8	
Asia and the Pacific	35.6	36.4	2.2	
Total	347.9	334.9	- 3.7	

1) Figures from the Management-Information System – rounded

In the region with the highest sales volume, **Northern Europe**, sales by the GfK companies decreased by 2.8% from €140.3 million to €136.3 million.

At €62.9 million, sales also fell 2.2% short of the previous year's figure in the region **Southern and Western Europe**. The difficult business climate affected all companies in this region.

Business in the **Central Eastern Europe/META** (Middle East, Turkey and Africa) region once again developed positively. An organic sales increase of 11.5% was achieved, although this strong trend was countered by marked currency effects. Overall, sales therefore increased by only 1.2% to €30.4 million. The newly established consumer panel in Turkey already produced the first sales revenue.

Currency effects were even more dramatic in the **Latin America** region, where growth in organic terms amounted to a good 10.0% but overall growth was down by 9.0% due to currency effects. Sales amounted to €12.7 million. At present, a panel to measure TV ratings is being set up in Brazil. From the second half of 2015 onwards, the relevant contract, which was signed at the end of 2013, is expected to generate sales revenue.

In the **North America** region, sales declined by 11.8% to €56.2 million. Of this, foreign currency developments accounted for 4.3 percentage points. However, sales were also 7.5% down in organic terms. This was partly caused by a delay in the recognition of revenues following implementation of the new ERP/SAP system.

The GfK companies in **Asia and the Pacific** increased their sales by 2.2% to €36.4 million. Similar to the other growth regions, negative currency effects offset some of the strong organic growth of 11.5% in this region. The pleasing business development in China contributed to sales growth, in particular. At the same time, the radio research contract in Australia also generated initial sales revenue.

7. OWN THE FUTURE – IMPLEMENTATION OF THE NEW CORPORATE STRATEGY IS PROGRESSING

Since 1 January 2012, GfK has pursued its Own the Future strategy. The aim of the strategy is to make global use of strengths within GfK for specific client groups and in various regions in the future. For this purpose, products are being harmonized and adapted for an increasingly networked digital world. A new organizational structure with global and regional responsibilities has been created to support shared utilization of existing data and resources as well as the transfer of expertise on various sectors, client groups and regions among GfK experts.

Key areas of implementing the strategy currently include the roll-out of the ERP system, the introduction of a uniform system for measuring resource utilization in data collection and production, the roll-out of global and digital products, as well as the ongoing upgrade of core IT systems.

The development of a data architecture to support the processing of consumer data will continue to advance. Priority in this process is given to measuring consumer behavior across various media, including TV, online and mobile.

To accelerate the current transformation into digital product offerings, we are consolidating the global teams and projects around Business Applications and Data under a single functional roof, GfK Data & Technology. The plan is to bundle all of the Group's existing and new data platforms, applications and projects to establish a common, powerful data and technology environment combined with strong sales and delivery support, achieving new levels of digital GfK solutions.

In the first quarter of 2014, the implementation of GfK's new ERP system was successfully completed for operations in Germany, Switzerland, the USA and Canada. A total of 58% of GfK Group sales have already been recorded in the new system.

8. NUMBER OF EMPLOYEES

As at 31 March 2014, the GfK Group had 13,133 employees, 193 more than at the end of 2013. The HR expansion mainly took place in the region Central Eastern Europe/META, as part of creating centralized services, and in the growth region of Asia and the Pacific. In the regions North America as well as Southern and Western Europe, the number of employees was reduced slightly in view of the weak level of incoming orders. Compared with the first quarter of the previous year, personnel expenses were cut by 1.1% to €170.9 million in the first three months of the current year. However, since the decrease in sales for the period was more marked, the personnel cost ratio, which expresses the ratio of personnel expenses to sales, increased from 49.7% to 51.0%. This was also partly due to the fact that new staff members were employed for global roles. The development of centralized service centers makes it possible to replace costly external services with tasks which are carried out in-house.

9. RESEARCH AND DEVELOPMENT

GfK is currently developing various digital market research tools, with a particular focus on projects which intelligently connect several of the numerous available data sources.

An example of this kind of data marriage is the enriching of Retail Tracking sales panel data and social media (SMI) data to offer new unique insights in a global scalable and syndicated solution. This brings together sales and consumer experience and feedback data and thereby enables clients to explain the why behind sales data, understand peaks and slopes and take the relevant action. GfK is offering three main use cases: brand monitoring, category tracking and launch monitoring.

Digital technology facilitates easier access to data and new evaluation options in highly developed markets. It also enables market research to penetrate emerging markets faster than was previously possible using traditional methods. For example, GfK South Africa has developed and launched a mobile panel in South Africa to monitor smart phone usage and advertising content seen by entrepreneurs and aspiring business owners.

10. ORGANIZATION AND ADMINISTRATION

The Group has embraced the challenges associated with globalization and set up an organizational structure that enables the local GfK companies to respond to market opportunities quickly and efficiently. GfK SE simultaneously acts as a holding company and operating unit. In Germany, the GfK Group network comprises the parent company, 13 consolidated associates and another associate as well as five non-consolidated affiliated companies. Worldwide, the GfK Group has 143 consolidated associates and 14 other associates, three participations and 31 non-consolidated affiliated companies. Compared with the previous year, the number of companies was reduced.

The Group is headquartered in Nuremberg, Germany.

11. CHANGES IN PARTICIPATIONS IN THE FIRST QUARTER OF 2014

In the first quarter of 2014, GfK acquired PT Primera Indonesia, a full-service market research company based in Indonesia – a market in which GfK sees substantial development potential for market research. To date, the Group's presence in Indonesia was limited to the Consumer Choices sector, but it has now been expanded to include GfK's Consumer Experiences products and services. GfK's global clients will now also benefit from this comprehensive offering in Indonesia.

CHANGES IN THE GfK NETWORK DURING THE FIRST QUARTER OF 2014

<i>Company</i>	<i>Reason for investment</i>	<i>Shareholding in %</i>	<i>Sector</i>	<i>Country</i>
PT Primera Indonesia	Acquisition	Asset Deal	Consumer Experiences	Asia and the Pacific

12. IMPORTANT EVENTS AFTER THE REPORTING DATE OF 31 MARCH 2014

No important events have occurred since the end of the reporting period.

13. OPPORTUNITY AND RISK POSITION

The risk position and opportunities of the GfK Group are described in the Group Management Report as at 31 December 2013. No material changes have occurred compared with the description provided there and no risks have been identified that could jeopardize the continued existence of the Group.

The GfK Group's risk position is impacted by the ongoing uncertainties related to the economic environment. If the global economic situation should worsen significantly and severely affect the business of GfK clients, this could also impact on GfK.

The GfK business model is subject to seasonally related fluctuations. Traditionally, sales and income trends are significantly better in the fourth quarter than the other quarters, given that the year-end business is highly relevant to GfK clients' operations.

Thanks to its global network as a full-service provider, the GfK Group is well-positioned. GfK meets new challenges in the market research industry with an innovative portfolio of products and services tailored to client requirements.

14. OUTLOOK

GfK expects overall global economic growth to continue to increase slightly in the course of this year, even if uncertainties persist in individual regions. A muted trend is anticipated for the industrialized nations, whereas more dynamic economic growth is expected in the growth regions, particularly in Asia.

Important transformation projects are due to be completed by the end of the year. This financial year financial year will also be characterized by higher levels of investment. We are expecting an investment volume of around €180 million for 2014, around 60% of which will be ploughed into new business. The write-downs will be around €10 million up on the figure for 2013 (€55 million) and will increase further in the following years due to the higher investment activity.

In the Consumer Experiences sector, the emphasis is on transformation with a view to creating more profitable business units and digital products, while purely local and less profitable contract research projects are to be scaled back. As a result, the sector is not expected to make a growth contribution in 2014. The Consumer Experiences sector is set to contribute less than 60% to Group sales.

In the Consumer Choices sector, the new growth and margin potential is to be consistently exploited. The core Retail & Technology business will be further developed and new panels will gradually contribute to sales and income growth. In the Audience Measurement segment, the focus is still on expansion in new regions/countries in addition to setting up panels for the newly acquired media contracts. The Management Board anticipates that this sector will grow significantly faster and also improve its share of sales, relative to Group sales, to over 40%.

GfK is expecting organic growth of 1% to 2% for 2014 and a margin (adjusted operating income in relation to sales) of between 12% and 12.5%. For 2015, the Group expects organic sales growth to outperform the market as a whole, leading to a gain of market share. GfK is currently creating the basis for also growing faster organically than the marketplace in 2016. The margin should be in the range of between 14% and 15%.

At the end of March 2014, a total of 59.1% of the annual sales required to achieve the forecast had already been posted or were in the order book (previous year, invoicing based coverage: 56.6%).

*The outlook contains predictive statements on future developments, which are based on current management assessments. Words such as "anticipate", "assume", "believe", "estimate", "expect", "intend", "could/might", "planned", "projected", "should", "likely" and other such terms are statements of a predictive nature. Such predictive statements contain comments on the anticipated development sales proceeds and income for 2014. Such statements are subject to risks and uncertainties, for example, economic effects such as exchange rate fluctuations and changes in interest rates. Some uncertainties and other unforeseen factors which might affect ability to achieve targets are described un-

der "risk position" in the Management Report. If these or other uncertainties and unforeseen factors arise or the assumptions on which the statements are based prove to be incorrect, actual results could materially differ from the results indicated or implied in these statements. We do not guarantee that our predictive statements will prove to be correct. The predictive statements contained herein are based on the current Group structure and are made on the basis of the facts on the day of publication of the present document. We do not intend nor accept any obligation to update predictive statements on an ongoing basis.

CONSOLIDATED INCOME STATEMENT OF GfK GROUP

from January 1 to March 31, 2014 in EUR '000 (according to IFRS, not audited)

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	Q1 2013 ¹⁾	% of sales	Q1 2014	% of sales	Change abs.	%
Sales	347,908	100.0%	334,915	100.0%	- 12,993	- 3.7%
Cost of sales	- 249,023	- 71.6%	- 235,525	- 70.3%	13,498	- 5.4%
Gross income from sales	98,885	28.4%	99,390	29.7%	505	0.5%
Selling and general administrative expenses	- 80,410	- 23.1%	- 78,330	- 23.4%	2,080	- 2.6%
Other operating income	1,895	0.5%	2,063	0.6%	168	8.9%
Other operating expenses	- 1,917	- 0.6%	- 3,837	- 1.1%	- 1,920	100.2%
Operating income²⁾	18,453	5.3%	19,286	5.8%	833	4.5%
Income from associates	331	0.1%	882	0.3%	551	166.5%
Other income from participations	31	0.0%	0	0.0%	- 31	- 100.0%
EBIT	18,815	5.4%	20,168	6.0%	1,353	7.2%
Other financial income	7,430	2.1%	1,918	0.6%	- 5,512	- 74.2%
Other financial expenses	- 12,523	- 3.6%	- 6,566	- 2.0%	5,957	- 47.6%
Income from ongoing business activity	13,722	3.9%	15,520	4.6%	1,798	13.1%
Tax on income from ongoing business activity	- 4,875		- 5,494		- 619	12.7%
CONSOLIDATED TOTAL INCOME	8,847	2.5%	10,026	3.0%	1,179	13.3%
Attributable to equity holders of the parent:	6,164	1.8%	7,052	2.1%	888	14.4%
Attributable to minority interests:	2,683	0.8%	2,974	0.9%	291	10.8%
CONSOLIDATED TOTAL INCOME	8,847	2.5%	10,026	3.0%	1,179	13.3%
Basic earnings per share (EUR)	0.17		0.19		0.02	11.8%
Diluted earnings per share (EUR)	0.17		0.19		0.02	11.8%
For information:						
Personnel expenses	- 172,819	- 49.7%	- 170,927	- 51.0%	1,892	- 1.1%
Depreciation/amortization	- 13,411	- 3.9%	- 14,467	- 4.3%	- 1,056	7.9%
EBITDA	32,226	9.3%	34,635	10.3%	2,409	7.5%

1) Adjusted due to the retrospective application of IAS 19 (2011) and netting of exchange gains and losses.

2) Reconciliation to internal management indicator "adjusted operating income" amounting to EUR 23,591 thousand (Q1 2013 EUR 22,970 thousand) as indicated on page 10.

CONSOLIDATED CASH FLOW STATEMENT

from January 1 to March 31, 2014 in EUR '000 (according to IFRS, not audited)

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	Q1 2013	Q1 2014
Consolidated total income	8,847	10,026
Write-downs/write-ups of intangible assets	7,028	8,411
Write-downs/write-ups of tangible assets	6,383	6,056
Write-downs/write-ups of other financial assets	0	0
Total write-downs/write-ups	13,411	14,467
Increase/decrease in inventories and trade receivables	30,014	2,298
Increase/decrease in trade payables and liabilities on orders in progress	- 4,121	10,567
Changes in other assets not attributable to investing or financing activity	- 7,932	- 7,277
Changes in other liabilities not attributable to investing or financing activity	- 22,892	- 13,266
Profit/loss from the disposal of non-current assets	- 56	- 15
Non-cash income from associates	- 2	- 582
Increase/decrease in long-term provisions	1,360	515
Other non-cash income/expenses	- 6,225	1,465
Net interest income	4,584	4,885
Change in deferred taxes	- 2,487	- 3,445
Current income tax expense	7,362	8,939
Taxes paid	- 12,352	- 10,252
a) Cash flow from operating activity	9,511	18,325
Cash outflows for investments in intangible assets	- 8,401	- 6,090
Cash outflows for investments in tangible assets	- 6,136	- 6,058
Cash out-/inflows for acquisition of consolidated companies and other business units, net of cash acquired	- 27,615	- 1,109
Cash outflows for other financial assets	- 25	- 650
Cash inflows from disposal of intangible assets	5	0
Cash inflows from disposal of tangible assets	335	82
Cash inflows from disposal of other financial assets	1	2
b) Cash flow from investing activity	- 41,836	- 13,823
Cash inflows from equity contributions	0	0
Dividend payments to equity holders of parent	0	0
Dividend payments to minority interests and other equity transactions	- 806	- 94
Cash inflows from loans raised	125,297	12,125
Cash outflows for repayment of loans	- 47,193	- 11,020
Interest received	165	487
Interest paid	- 3,923	- 4,622
c) Cash flow from financing activity	73,540	- 3,124
Changes in cash and cash equivalents (total of a), b) and c))	41,215	1,378
Changes in cash and cash equivalents owing to exchange gains/losses and valuation	- 170	- 1,053
Cash and cash equivalents at the beginning of the period	66,376	69,706
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	107,421	70,031

CALCULATION OF NET DEBT AND FREE CASH FLOW

in EUR '000 (according to IFRS, not audited)

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<i>Calculation of net debt</i>	31.12.2013	31.03.2014
Liquid funds	69,706	70,031
Short-term securities and time deposits	2,323	1,748
Liquid funds, short-term securities and time deposits	72,029	71,779
Liabilities to banks	- 218,593	- 220,104
Pension obligations	- 49,450	- 49,837
Liabilities from finance leases	- 510	- 413
Other interest-bearing liabilities	- 230,956	- 230,389
Interest-bearing liabilities	- 499,509	- 500,743
Net debt	- 427,480	- 428,964
<i>Calculation of free cash flow</i>	Q1	Q1
	2013	2014
Consolidated total income	8,847	10,026
Write-downs/write-ups of intangible assets	7,028	8,411
Write-downs/write-ups of tangible assets	6,383	6,056
Others	- 12,747	- 6,168
Cash flow from operating activity	9,511	18,325
Capital expenditure	- 14,537	- 12,148
Free cash flow before acquisitions, other investments and asset disposals	- 5,026	6,177
Acquisitions	- 27,640	- 1,109
Other financial investments	0	- 650
Asset disposals	341	84
Free cash flow after acquisitions, other investments and asset disposals	- 32,325	4,502

CONSOLIDATED BALANCE SHEET

as of March 31, 2014 in EUR '000 (according to IFRS, not audited)

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ASSETS

	31.12.2013	31.03.2014
Goodwill	778,982	781,043
Other intangible assets	246,274	244,844
Tangible assets	103,598	103,412
Investments in associates	13,210	13,793
Other financial assets	6,491	6,486
Deferred tax assets	38,154	38,633
Non-current other assets and deferred items	7,850	9,865
Non-current assets	1,194,559	1,198,076
Trade receivables	373,271	376,010
Current income tax assets	17,306	17,511
Securities and fixed-term deposits	2,323	1,748
Cash and cash equivalents	69,706	70,031
Current other assets and deferred items	39,213	44,578
Current assets	501,819	509,878
ASSETS	1,696,378	1,707,954

CONSOLIDATED BALANCE SHEET

as of March 31, 2014 in EUR '000 (according to IFRS, not audited)

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EQUITY AND LIABILITIES

	31.12.2013	31.03.2014
Subscribed capital	153,316	153,316
Capital reserve	212,403	212,403
Retained earnings	349,176	356,219
Other reserves	- 95,807	- 94,996
Equity attributable to equity holders of the parent	619,088	626,942
Minority interests	44,621	45,712
EQUITY	663,709	672,654
Long-term provisions	67,016	64,292
Non-current interest-bearing financial liabilities	409,071	377,429
Deferred tax liabilities	75,449	72,611
Non-current other liabilities and deferred items	8,402	9,996
Non-current liabilities	559,938	524,328
Short-term provisions	22,473	20,905
Current income tax liabilities	15,936	15,415
Current interest-bearing financial liabilities	40,988	73,477
Trade payables	92,524	91,930
Liabilities on orders in progress	137,570	152,724
Current other liabilities and deferred items	163,240	156,521
Current liabilities	472,731	510,972
LIABILITIES	1,032,669	1,035,300
EQUITY AND LIABILITIES	1,696,378	1,707,954
Equity ratio	39.1%	39.4%

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

from January 1 to March 31, 2014 in EUR '000 (according to IFRS, not audited)

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	Q1 2013	Q1 2014
Consolidated total income	8,847	10,026
Items that will not be reclassified to profit or loss:		
Actuarial gains/losses on defined benefit plans	159	- 85
Items that may be reclassified to profit or loss:		
Foreign currency translation differences	- 3,333	974
Valuation of net investment hedges for foreign subsidiaries	0	0
Changes in fair value of cash flow hedges (effective portion)	- 3	23
Changes in fair value of equity securities available-for-sale	0	0
Other comprehensive income (net of taxes)	- 3,177	912
Total comprehensive income	5,670	10,938
Attributable to:		
Equity holders of the parent	2,839	7,863
Minority interests	2,831	3,075
Total comprehensive income	5,670	10,938

CONSOLIDATED EQUITY CHANGE STATEMENT OF GfK GROUP

from January 1 to March 31, 2014 in EUR '000 (according to IFRS, not audited)

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	Attributable to equity holders of the parent	
	Subscribed capital	Capital reserve
Balance at January 1, 2013	153,316	212,403
Total comprehensive income for the period		
Consolidated total income		
<i>Other comprehensive income</i>		
Foreign currency translation differences		
Effective portion of changes in fair value of cash flow hedges, net of tax		
Defined benefit plan actuarial gains and losses, net of tax		
Total other comprehensive income	0	0
Total comprehensive income for the period	0	0
Transactions with owners, recorded directly in equity		
<i>Contributions by and distributions to owners</i>		
Dividends to shareholders		
<i>Changes in ownership interest in subsidiaries that do not result in a change of control</i>		
Acquisition of minority interests		
Other changes		
Total transactions with owners, recorded directly in equity	0	0
BALANCE AT MARCH 31, 2013	153,316	212,403
Balance at April 1, 2013	153,316	212,403
Total comprehensive income for the period		
Consolidated total income		
<i>Other comprehensive income</i>		
Foreign currency translation differences		
Valuation of net investment hedges for foreign subsidiaries, net of tax		
Effective portion of changes in fair value of cash flow hedges, net of tax		
Defined benefit plan actuarial gains and losses, net of tax		
Total other comprehensive income	0	0
Total comprehensive income for the period	0	0
Transactions with owners, recorded directly in equity		
<i>Contributions by and distributions to owners</i>		
Dividends to shareholders		
<i>Changes in ownership interest in subsidiaries that do not result in a change of control</i>		
Acquisition of minority interests		
Other changes		
Total transactions with owners, recorded directly in equity	0	0
Balance at December 31, 2013	153,316	212,403
Balance at January 1, 2014	153,316	212,403
Total comprehensive income for the period		
Consolidated total income		
<i>Other comprehensive income</i>		
Foreign currency translation differences		
Effective portion of changes in fair value of cash flow hedges, net of tax		
Defined benefit plan actuarial gains and losses, net of tax		
Total other comprehensive income	0	0
Total comprehensive income for the period	0	0
Transactions with owners, recorded directly in equity		
<i>Contributions by and distributions to owners</i>		
Dividends to shareholders		
<i>Changes in ownership interest in subsidiaries that do not result in a change of control</i>		
Other changes		
Total transactions with owners, recorded directly in equity	0	0
BALANCE AT MARCH 31, 2014	153,316	212,403

Attributable to equity holders of the parent

Retained earnings	Other reserves				Actuarial gains / losses on defined benefit plans	Total	Minority interests	Total equity
	Translation reserve	Hedging reserve	Fair value reserve					
427,479	- 49,362	18,602	3	- 23,543	738,898	43,117	782,015	
6,164					6,164	2,683	8,847	
	- 3,482				- 3,482	149	- 3,333	
		- 3			- 3		- 3	
				160	160	- 1	159	
0	- 3,482	- 3	0	160	- 3,325	148	- 3,177	
6,164	- 3,482	- 3	0	160	2,839	2,831	5,670	
					0	- 1,119	- 1,119	
- 590					- 590	- 217	- 807	
0					0	0	0	
- 590	0	0	0	0	- 590	- 1,336	- 1,926	
433,053	- 52,844	18,599	3	- 23,383	741,147	44,612	785,759	
433,053	- 52,844	18,599	3	- 23,383	741,147	44,612	785,759	
- 60,181					- 60,181	9,274	- 50,907	
	- 43,811				- 43,811	- 3,265	- 47,076	
		349			349		349	
		- 57			- 57		- 57	
				5,337	5,337	43	5,380	
0	- 43,811	292	0	5,337	- 38,182	- 3,222	- 41,404	
- 60,181	- 43,811	292	0	5,337	- 98,363	6,052	- 92,311	
- 23,728					- 23,728	- 5,991	- 29,719	
- 17					- 17	- 52	- 69	
49					49	0	49	
- 23,696	0	0	0	0	- 23,696	- 6,043	- 29,739	
349,176	- 96,655	18,891	3	- 18,046	619,088	44,621	663,709	
349,176	- 96,655	18,891	3	- 18,046	619,088	44,621	663,709	
7,052					7,052	2,974	10,026	
	873				873	101	974	
		23			23		23	
				- 85	- 85	0	- 85	
0	873	23	0	- 85	811	101	912	
7,052	873	23	0	- 85	7,863	3,075	10,938	
0					0	- 1,203	- 1,203	
- 9					- 9	- 781	- 790	
- 9	0	0	0	0	- 9	- 1,984	- 1,993	
356,219	- 95,782	18,914	3	- 18,131	626,942	45,712	672,654	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF GfK SE

as at March 31, 2014

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1. GENERAL INFORMATION

The consolidated financial statements of GfK SE include the company itself and all consolidated subsidiaries. The GfK SE interim consolidated financial statements as at 31 March 2014 have been prepared on the basis of IAS 34 in accordance with the International Financial Reporting Standards (IFRS) and the relevant interpretations of the International Accounting Standards Board (IASB), as applicable under Regulation No. 1606/2002 of the European Parliament and Council, which relates to the application of international accounting standards within the EU. The interim financial statements do not include all explanations and details required for annual financial statements, and readers should therefore refer to the annual financial statements as at 31 December 2013 (www.gfk.com).

The requirements of the applicable standards have been fully complied with, resulting in a true and fair view of the net assets, financial position and results of operations of the GfK Group. No voluntary audit in accordance with Article 317 HGB (German Commercial Code) or review of the quarterly financial statements and interim management report as at 31 March 2014 has been performed by auditors.

2. PRINCIPLES OF CONSOLIDATION AND ACCOUNTING POLICIES

The consolidated financial statements of GfK SE as at 31 March 2014 are generally based on the same IFRS principles of consolidation and accounting policies as the consolidated financial statements as at 31 December 2013, with the exception of changes resulting from revised or newly adopted accounting standards, the first-time application of which is mandatory in financial year 2014. These are explained in section 36 of the notes to the consolidated financial statements in the 2013 Annual Report. The application of these standards has no material impact on the quarterly financial statements and the quarterly financial report of the GfK Group.

To ensure clear and reliable reporting, currency gains and losses from similar business transactions have been netted at the level of the individual companies since the annual financial statements for 2013. The figures reported in the previous year's income statement were adjusted as follows:

1 January to 31 March 2013

<i>in EUR '000</i>	<i>before Adjustment</i>	<i>Adjustment</i>	<i>after Adjustment</i>
Other operating income	7,730	- 5,835	1,895
Other operating expenses	- 7,752	5,835	- 1,917
Other financial income	11,528	- 4,098	7,430
Other financial expenses	- 16,621	4,098	- 12,523

3. ESTIMATES

The estimates and assumptions in the consolidated financial statements as at 31 March 2014 have been prepared using the same methods as in the financial statements as at 31 December 2013.

4. SCOPE OF CONSOLIDATION AND MAJOR ACQUISITIONS

As at 31 March 2014, the scope of consolidation comprised 143 subsidiaries in addition to the parent company (31 December 2013: 144).

On 1 January 2014, GfK Turkey Danismanlik ve Pazar Arastirma Hizmetleri A.S., Istanbul, Turkey, a subsidiary which was established in 2013, was included in the scope of consolidation. The company has activities in the Consumer Choices and Consumer Experiences sectors.

Genius Digital Ltd, Reading, Berkshire, UK, whose activities are based in the Consumer Choices sector, was consolidated for the first time as at 1 January 2014. Established in the previous year with operations in the same sector, GfK Market Research Brasil Pesquisa de Mercado Ltda., Sao Paulo, Brazil, was also consolidated for the first time as at 1 January 2014.

As at 1 January 2014, Doane Marketing Research, Inc., Saint Louis, Missouri, USA, and GfK Retail and Technology USA, LLC, Wilmington, Delaware, USA, both with activities in the Consumer Choices sector, were merged with GfK Mediamark Research & Intelligence, LLC, New York, New York, USA, which was subsequently renamed GfK US, LLC, New York, New York, USA.

Intomart GfK Group B.V., Hilversum, Netherlands, and AFI Investments ULC, London, UK, two companies which were wound up in the reporting period, were deconsolidated with effect from 1 January 2014.

These intra-Group mergers and dissolutions of companies were solely for the purpose of simplifying the Group structure and have no immediate financial impact.

5. DILUTED EARNINGS PER SHARE

The earnings per share for the period from 1 January to 31 March 2014 were €0.19 (1 January to 31 March 2013: €0.17). The diluted earnings per share also amounted to €0.19 (1 January to 31 March 2013: €0.17).

6. RELATED PARTIES

Related parties are persons or groups which could be influenced by the GfK Group or could have an influence on the GfK Group. The GfK Group's related parties can be divided into subsidiaries, associates, joint ventures, key management personnel as well as other related parties.

The following significant transactions with related parties are reported in the consolidated financial statements as at 31 March 2014:

Loan obligations amounting to €15,685 thousand (31 December 2013: €16,325 thousand) were due to GfK-Nürnberg, Gesellschaft für Konsum-, Markt- und Absatzforschung e.V., Nuremberg, the majority shareholder of GfK SE. The associated interest expenses totaled €49 thousand (31 March 2013: €11 thousand).

In addition, liabilities relating to as yet unpaid profit shares of €2,344 thousand (31 December 2013: €1,528 thousand) arose vis-à-vis The NPD Group Inc., Port Washington, New York, USA.

Unless stated otherwise, receivables and liabilities in respect of related parties have a remaining term of up to one year.

7. CONTINGENT LIABILITIES AND OTHER FINANCIAL COMMITMENTS

There were no significant changes in contingent liabilities and other financial obligations compared with 31 December 2013.

8. UNUSUAL CIRCUMSTANCES

Circumstances which affect the assets, liabilities, equity, profit or loss for the period or cash flow and which are of an extraordinary nature, extent or frequency are dealt with in the introduction to this quarterly report and in the section of the interim management report on the risk and opportunity position.

9. SEGMENT REPORTING

GfK's organizational structure is based on two sectors, Consumer Experiences and Consumer Choices, which are complemented by Other. The Consumer Experiences sector deals with consumers' behavior and attitudes while the Consumer Choices sector focuses on market sizing, market currencies, convergent media and sales channels.

Income from third parties comprises sales established in accordance with IFRS. No significant inter-sector income was generated in the reporting period. The Group measures the success of its sectors by reference to the adjusted operating income according to internal reporting. Adjusted operating income of a sector is determined from operating income before interest and taxes by eliminating the following expenses and income items: write-down on goodwill, write-ups and write-downs of additional assets identified on acquisitions, income and expenses in connection with share and asset deals, income and expenses in connection with reorganization and improvement projects, personnel expenses for share-based incentive payments, currency conversion differences as well as income and expenses related to one-off effects and other exceptional circumstances.

The table below shows the information relating to the individual sectors for the first three months of 2013 and 2014.

<i>in EUR '000</i>	<i>Income from third parties</i>		<i>Adjusted operating income</i>	
	<i>Q1 2013</i>	<i>Q1 2014</i>	<i>Q1 2013</i>	<i>Q1 2014</i>
Consumer Experiences	206,832	192,532	2,392	4,365
Consumer Choices	139,777	141,566	23,032	23,903
Reconciliation	1,299	817	-2,454	-4,677
Group	347,908	334,915	22,970	23,591

The item "Reconciliation" includes the category "Other". It is used for the reconciliation of the Consumer Experiences and Consumer Choices sectors with Group figures. Services not related to market research included here are of minor importance.

10. STATEMENT BY THE LEGAL REPRESENTATIVES

To the best of our knowledge and in accordance with the applicable accounting principles for interim reporting, we confirm that the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim Group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group throughout the remaining months of the financial year.

7-YEAR OVERVIEW

2007 TO 2013 ACCORDING TO IFRS

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KEY INDICATORS – INCOME STATEMENT

	<i>Unit</i>	<i>2007</i>	<i>2008</i>	<i>2009</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>
Sales	EUR million	1,162.1	1,220.4	1,164.5	1,294.2	1,373.9	1,514.7	1,494.8
Personnel expenses	EUR million	465.2	494.3	510.5	550.7	593.4	685.5	677.6
Depreciation and amortization ¹⁾	EUR million	59.7	59.2	66.3	55.1	79.9	63.8	196.5
Adjusted operating income	EUR million	157.6	158.7	147.2	185.0	187.7	187.4	190.4
EBITDA	EUR million	188.4	192.0	159.1	200.4	223.2	194.1	225.4
Operating income	EUR million	125.6	128.9	88.9	141.4	138.9	129.4	26.5
Income from participations	EUR million	3.0	3.9	3.9	3.9	4.4	1.0	2.4
EBIT	EUR million	128.6	132.8	92.8	145.2	143.3	130.3	28.9
Income from ongoing business activity	EUR million	104.2	113.0	75.5	124.8	125.6	108.2	4.2
Consolidated total income	EUR million	78.9	82.0	60.5	84.0	88.1	64.1	-42.1
Tax ratio	%	24.3	27.4	19.8	32.7	29.8	40.8	1,111.5

¹⁾ Tangible assets and intangible assets

7-YEAR OVERVIEW

2007 TO 2013 ACCORDING TO IFRS

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BALANCE SHEET RATIOS

	Unit	2007	2008	2009	2010	2011	2012	2013
Non-current assets	EUR million	1,088.3	1,085.0	1,157.9	1,232.2	1,255.7	1,361.0	1,194.6
Current assets	EUR million	382.5	361.6	363.5	417.7	489.9	518.8	501.8
Asset structure	%	284.5	300.1	318.5	295.0	256.3	262.3	238.0
Investments	EUR million	73.7	101.5	106.7	89.6	77.3	177.8	118.4
of which in tangible assets ¹⁾	EUR million	49.2	50.5	49.0	48.6	62.7	70.7	80.4
of which in financial assets	EUR million	24.5	51.0	57.7	41.0	14.6	107.1	38.0
Equity	EUR million	509.6	500.3	553.0	677.5	760.8	782.0	663.7
Liabilities	EUR million	961.2	946.3	968.4	972.4	984.8	1,097.8	1,032.7
Balance sheet total	EUR million	1,470.8	1,446.6	1,521.4	1,649.9	1,745.6	1,879.8	1,696.4
Net debt	EUR million	-472.9	-481.5	-499.8	-428.5	-363.9	-461.8	-427.5

¹⁾ Tangible assets and intangible assets

CASHFLOW RATIOS

	Unit	2007	2008	2009	2010	2011	2012	2013
Cash flow from operating activity	EUR million	168.1	145.8	134.7	172.0	170.5	115.0	164.0
Cash flow from investing activity	EUR million	-64.6	-100.4	-104.4	-86.2	-72.9	-177.4	-117.5
Cash flow from financing activity	EUR million	-112.9	-46.4	-26.2	-76.9	-49.0	22.8	-31.5
Free cash flow	EUR million	118.9	95.4	85.7	123.4	107.9	44.3	83.7

7-YEAR OVERVIEW

2007 TO 2013 ACCORDING TO IFRS

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PROFITABILITY RATIOS

	Unit	2007	2008	2009	2010	2011	2012	2013
AOI margin = Adjusted operating income/sales	%	13.6	13.0	12.6	14.3	13.7	12.4	12.7
EBITDA margin = EBITDA/sales	%	16.2	15.7	13.7	15.5	16.2	12.8	15.1
EBIT margin = EBIT/sales	%	11.1	10.9	8.0	11.2	10.4	8.6	1.9
Return on sales = Consolidated total income/sales	%	6.8	6.7	5.2	6.5	6.4	4.2	-2.8
Personnel expenses ratio = Personnel expenses/sales	%	40.0	40.5	43.8	42.6	43.2	45.3	45.3
ROCE = EBIT/Capital Employed	%	12.5	12.8	9.7	14.1	14.0	11.9	8.8
Total return on capital employed = EBIT/average balance sheet total	%	8.7	9.1	6.3	9.2	8.4	7.2	1.6
Pay-out ratio = Total dividend/consolidated total income	%	20.4	20.2	17.8	20.7	26.9	37.0	-56.4
Dynamic debt-equity ratio = Net debt/free cash flow	Years	4.0	5.1	5.8	3.5	3.4	10.4	5.1

KEY INDICATORS PER SHARE

	Unit	2007	2008	2009	2010	2011	2012	2013
Earnings per share ¹⁾	EUR	1.98	2.04	1.42	1.99	2.06	1.43	-1.48
Adjusted earnings per share ¹⁾	EUR	2.88	2.87	3.04	3.20	3.40	3.02	3.01
Free cash flow per share ¹⁾	EUR	3.33	2.66	2.38	3.43	2.96	1.21	2.29
Dividend per share	EUR	0.45	0.46	0.30	0.48	0.65	0.65	0.65
Total dividend	EUR million	16.1	16.5	10.8	17.4	23.7	23.7	23.7
Dividend yield	%	1.64	2.09	1.24	1.28	2.12	1.68	1.61
Year-end price ¹⁾	EUR	27.50	22.02	24.13	37.60	30.63	38.59	40.31
Weighted number of shares	in thousands	35,682	35,884	35,947	35,967	36,407	36,504	36,504

¹⁾ Adjusted for capital increase

NET DEBT RATIOS

	Unit	2007	2008	2009	2010	2011	2012	2013
Net debt to								
Equity (gearing)	%	92.8	96.2	90.4	63.2	47.8	59.1	64.4
EBIT	%	367.5	362.6	538.6	295.0	253.9	354.3	1,478.7
EBITDA	%	251.0	250.8	314.2	213.8	163.1	237.9	189.7
Free cash flow	%	397.8	505.0	583.4	347.2	337.4	1,041.5	510.8

7-YEAR OVERVIEW

2007 TO 2013 ACCORDING TO IFRS

SALES BY SECTOR AND REGION

	Unit	2007	2008	2009	2010	2011	2012	2013
Sectors (old structure up to 2011)								
Custom Research	EUR million	773.0	782.8	709.2	785.6	829.2		
Retail and Technology	EUR million	260.8	304.1	325.8	370.8	407.0		
Media	EUR million	124.5	130.1	126.4	133.1	132.9		
Sectors (new structure from 2012)¹⁾								
Consumer Experiences	EUR million					829.2	907.8	881.3
Consumer Choices	EUR million					539.8	601.6	607.8
Regions (old structure up to 2011)								
Germany	EUR million	290.3	316.1	301.3	340.8	376.6		
Western Europe	EUR million	480.5	487.2	458.1	483.0	520.5		
Central and Eastern Europe	EUR million	73.1	87.2	71.7	89.7	97.6		
North America	EUR million	240.7	219.7	207.2	219.3	200.3		
Latin America	EUR million	26.7	35.5	39.4	54.9	59.4		
Asia and Pacific	EUR million	50.8	74.8	86.9	106.5	119.5		
Regions (new structure from 2012)¹⁾								
Northern Europe	EUR million					596.3	622.4	607.7
Southern and Western Europe	EUR million					280.4	282.1	272.6
Central Eastern Europe/META	EUR million					118.0	121.8	127.7
North America	EUR million					200.3	266.8	265.9
Latin America	EUR million					59.4	66.6	66.5
Asia and Pacific	EUR million					119.5	155.0	154.4

¹⁾ Please refer to the Management Report, chapter 2 for explanations of the new structure. The previous year's figures were adjusted to take account of the new structure.

ADJUSTED OPERATING INCOME BY SECTOR

	Unit	2007	2008	2009	2010	2011	2012	2013
Sectors (old structure up to 2011)								
Custom Research	EUR million	66.1	56.0	39.5	63.2	65.0		
Retail and Technology	EUR million	67.3	82.6	95.8	113.9	123.5		
Media	EUR million	25.7	23.8	16.6	15.6	10.8		
Sectors (new structure from 2012)¹⁾								
Consumer Experiences	EUR million					63.3	58.9	58.6
Consumer Choices	EUR million					136.0	139.3	144.4

¹⁾ Please refer to the Management Report, chapter 2 for explanations of the new structure. The previous year's figures were adjusted to take account of the new structure.

NUMBER OF EMPLOYEES AT THE YEAR-END

	Unit	2007	2008	2009	2010	2011	2012	2013
Sectors (old structure up to 2011)								
Custom Research	Employees	9,070	9,692	10,058	10,546	11,457	12,678	12,940
Retail and Technology	Employees	5,632	5,876	5,837	6,018	6,594		
Media	Employees	2,458	2,757	3,224	3,507	3,768		
Media	Employees	559	594	552	554	612		
Sectors (new structure from 2012)¹⁾								
Consumer Experiences	Employees					6,578	7,180	7,125
Consumer Choices	Employees					4,396	5,002	5,287

¹⁾ Please refer to the Management Report, chapter 2 for explanations of the new structure. The previous year's figures were adjusted to take account of the new structure.

GLOSSARY OF FINANCIAL TERMINOLOGY

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A

adjusted operating income

Adjusted operating income does not take into account highlighted items. The management uses this financial indicator in the Group-wide management of GfK's operating business.

Affiliated companies

Companies which are controlled by the parent. As a rule, the parent holds the majority of the voting rights and capital of the company.

Associated companies

▷ Minority participations in companies on whose business or company policy a decisive, but not controlling influence is exercised. Associated companies are in principle valued at equity.

C

Cash flow

Balance of funds inflow and outflow affecting payment.

Cost of sales

Total of all types of operating costs which can be directly allocated to clients' orders. These include in particular costs for external data procurement, costs for interviewees and interviewers.

D

Deferred taxes

Tax assets or liabilities reported in the balance sheet to equalize the difference between the tax debt actually assessed and the commercial tax burden based on the financial reporting in accordance with ▷ IFRS for the commercial balance sheet. The basis for determining deferred taxes is the difference between the value of the assets and liabilities reported in the balance sheet in accordance with IFRS and the local tax balance sheet.

Dividend yield

Dividend per share in relation to the annual closing price.

E

EBIT

Abbreviation for earnings before interest and taxes calculated as ▷ Operating income plus income from associates plus other income from participations.

EBITDA

Earnings before interest, taxes, depreciation and amortization, calculated as ▷ EBIT plus depreciation and amortization charges.

Equity ratio

Balance sheet equity in relation to total assets. The higher the indicator, the lower the level of indebtedness.

F

Free cash flow

Cash flow from operating activity less capex.

G

Gross income from sales

Sales less ▷ Cost of sales.

I

IFRS

The International Financial Reporting Standards (IFRS) are accounting principles developed and published by the IASB. In addition to the actual IFRS, the IAS that are still valid and the interpretations of the IFRIC and SIC are grouped under the IFRS.

Income

▷ Adjusted operating income.

Income from ongoing business activity

▷ EBIT plus financial income less financial expenses.

M

Minority participations

Generic term for ▷ Associated companies and other participations. The participation quota is below 50%.

N

Net debt

Liquid funds and securities less pension liabilities and financial liabilities.

O

Operating income

Gross income from sales less selling and general administrative expenses plus other operating income less ▷ Other operating expenses.

Other operating expenses

Expenses in connection with ongoing business activity, excluding financial expenses, not attributable to ▷ Cost of sales or selling and general administrative expenses. Examples are impairments, losses from the disposal of fixed assets and exchange losses.

P

Pay-out ratio

Total dividend in relation to consolidated total income.

R

Ratio of net debt to cash flow

Net debt in relation to ▷ Free cash flow.

Return on capital employed

▷ EBIT in relation to average total assets.

Return on equity

Consolidated total income in relation to average shareholders' equity.

T

Tax ratio

Tax on income from ongoing business activity in relation to ▷ Income from ongoing business activity.

PROVISIONAL KEY DATES IN THE FINANCIAL CALENDAR

DATES 2014

:

27 MAY 2014
*ANNUAL GENERAL MEETING
NUREMBERG*

13 AUGUST 2014
*INTERIM REPORT
AS AT 30 JUNE¹⁾*

12 NOVEMBER 2014
*QUARTERLY REPORT
AS AT 30 SEPTEMBER¹⁾*

¹⁾ Publication is scheduled for before the start
of the trading session in Germany

DATES 2015

:

30 JANUARY 2015
TRADING STATEMENT

13 MARCH 2015
*ANNUAL ACCOUNTS PRESS CONFERENCE
NUREMBERG*

13 MAY 2015
*QUARTERLY REPORT
AS AT 31 MARCH 2015¹⁾*

28 MAY 2015
*ANNUAL GENERAL MEETING
FÜRTH*

14 AUGUST 2015
*INTERIM REPORT
AS AT 30 JUNE¹⁾*

13 NOVEMBER 2015
*QUARTERLY REPORT
AS AT 30 SEPTEMBER¹⁾*

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Report for the
first quarter 2014