



inspiring IT

INTERIM FINANCIAL REPORT
AS OF 30 SEPTEMBER 2011

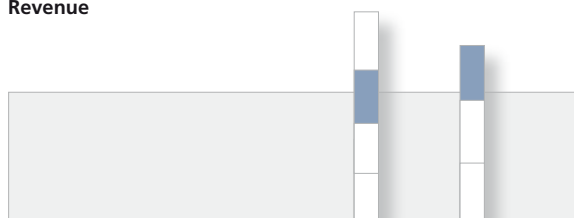
KEY FIGURES ACCORDING TO IFRS

Continued operations		9 months		
		01/01– 30/09/2011	01/01– 30/09/2010	Change
Income Statement				
Revenue	€m	207.87	178.74	16.3%
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	€m	9.49	9.12	4.1%
Earnings before interest and taxes (EBIT)	€m	8.53	8.26	3.3%
Earnings before taxes (EBT)	€m	9.05	8.76	3.3%
Net income as of 30 September	€m	6.76	6.70	0.9%
Balance Sheet				
Other non-current assets	€m	35.24	29.84	18.1%
Cash, cash equivalents and securities	€m	28.16	32.68	-13.8%
Other current assets	€m	64.75	60.59	6.9%
ASSETS	€m	128.15	123.11	4.1%
Non-current liabilities	€m	2.24	2.31	-3.0%
Current liabilities	€m	51.90	51.04	1.7%
Shareholders' equity	€m	74.01	69.76	6.1%
SHAREHOLDERS' EQUITY AND LIABILITIES	€m	128.15	123.11	4.1%
Equity ratio	%	58	57	
Cash flow				
Cash flow from operating activities	€m	-0.36	-1.85	-80.7%
Cash flow from investing activities	€m	-1.21	-13.99	-91.4%
Cash flow from financing activities	€m	-3.95	-2.29	72.4%
Employees				
Number of permanent employees (as of 30 September)		1,321	1,268	4.2%
Share				
Earnings per share acc. to IAS 33	€	0.26	0.25	0.9%

(Rounding differences in the Consolidated Interim Management Report due to presentation in € million possible.)

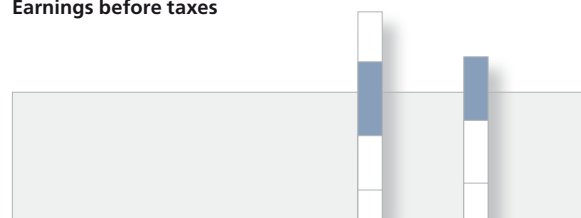
The GFT Group's dynamic growth showed signs of slowing in the third quarter of 2011. Revenue was up on the same period last year, while earnings before taxes (EBT) remained stable. The Executive Board has adjusted its forecast for revenue and earnings to take account of the current market uncertainty. It now expects revenue of €270 million and an EBT result of €11 million for the current financial year.

Revenue



€ million	2010	2011
Q4	69.52	
Q3	64.06	66.07
Q2	60.25	74.50
Q1	54.43	67.30
	248.26	207.87

Earnings before taxes



€ million	2010	2011
Q4	2.79	
Q3	4.11	3.53
Q2	3.02	3.50
Q1	1.63	2.02
	11.55	9.05

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Consolidated Interim Management Report

of GFT Technologies AG as of 30 September 2011

Business environment

Economic environment

Macroeconomic development

At the beginning of the second half of 2011, there were growing signs that global economic growth was cooling down. A lack of trust in the USA's ability to reduce its national debt, the growing sovereign debt crisis in Europe and weak economic data fuelled market anxiety and eroded any remaining faith in further growth. In its September report, the International Monetary Fund (IMF) warned that the global economy had entered a new and dangerous phase. The IMF's experts reduced their forecast for global economic growth in the current year to 4.0%. In April, the IMF had forecast growth of 4.4% and in June 4.3%.

In view of the spreading debt problem, politicians in the Euro zone came under increasing pressure to introduce cost cuts in the third quarter in order to secure the long-term stability of the Euro. Economic development within the area of the monetary union continues to be dominated by the discrepancy between falling growth in the Euro zone's peripheral nations and the growing economies of Germany and France. However, as growth in these two core countries begins to slow, the economic upturn has lost momentum in the second half of the year. The IMF downgraded its June forecast for the Euro zone by 0.4%-points and now expects economic growth of 1.6% for 2011.

With the advent of autumn, prospects in Germany also began to deteriorate noticeably. The IMF lowered its 2011 growth forecast for Germany to 2.7% – compared to 3.2% in its June report. In their latest autumn report, Germany's leading economic institutes also forecast a slow-down in growth. The economists believe that the more modest outlook for global economic growth is having an increasingly strong impact on German prospects. Due to the healthy start to the year, however, the institutes raised their spring forecast for 2011 of 2.8% to 2.9%.

Sector development

Business confidence in Germany's Information and Communication Technology (ICT) sector continued to improve in the third quarter. Despite the turbulence of the financial markets and gloomier economic forecasts, the German Federal Association for Information Technology, Telecommunications and New Media (BITKOM) is still upbeat about the prospects for Germany's ICT sector: according to the current sector barometer in September, 75% of companies interviewed expect increased revenues for 2011 as a whole. This roughly corresponds to the survey figure of 74% in July. In the field of IT services, 86% of companies forecast year-on-year revenue growth in 2011 – compared to 82% in July. The need for skilled IT specialists remains a pressing problem for the ICT sector. 60% of companies interviewed complained about a lack of skilled staff.

The BITKOM sector index rose by eleven points to 63. According to the industry association, demand is currently being driven by the manufacturing industry and the service sector.

All in all, BITKOM continues to uphold its March forecast: it believes that the total ICT market will grow by 2.3% to €133.0 billion in 2011 and that the German IT market will grow by 4.3% to €68.8 billion. For the IT Services market, BITKOM expects growth of 3.5% to €34.2 billion in 2011.

Course of business in the first nine months

Against the backdrop of the European debt crisis and uncertainties on the international capital markets, growth began to slow for the GFT Group in the third quarter of 2011. Both revenue and earnings failed to match the pace of growth achieved in the first half of the year. Nevertheless, GFT can look back on a stable third quarter with year-on-year revenue growth of 16% to €207.87 million (prev. year: €178.74 million). Earnings before taxes (EBT) remained stable at €9.05 million (prev. year: €8.76 million).

In the third quarter of 2011, the GFT Group generated revenue of €66.07 million (prev. year: €64.06 million), compared to €67.30 million in the first and €74.50 million in the second quarter. Pre-tax earnings in the third quarter reached €3.53 million (prev. year: €4.11 million). The corresponding figure was €2.02 million in the first quarter and €3.50 million in the second quarter.

The positive development of revenue in the first nine months of 2011 was mainly driven by the *Resourcing* division. It benefited from strong ongoing demand for freelance IT specialists and succeeded in greatly expanding its revenue volume, despite a noticeable decline in revenue generated with a major client in its Third Party Management business. Growth was particularly strong in France and Germany. Segment revenue reached €121.41 million and was thus 31% above the comparable prior-year figure of €92.57 million. A marked decline in demand from the financial sector during the third quarter – especially for new projects – had a negative impact on segment revenue of the *Services* division, which failed to sustain its dynamic growth of the first six months. At €86.26 million, segment revenue in the period under review was comparable to that of the previous year (€86.14 million).

Earnings before taxes in the first nine months were also influenced to a growing extent by the finance sector's more cautious approach to investment at the end of the third quarter. Demand for IT solutions in the field of corporate and investment banking became weaker towards the end

of the third quarter – especially in Germany, the UK and the USA – leading to reduced revenue volumes in these countries and placing a burden on the operating result of the *Services* segment. The division contributed €7.40 million to the GFT Group's nine-month earnings figure, with segment earnings remaining almost unchanged from the previous year (€7.71 million). Thanks to increased revenues and successful measures to raise efficiency, segment earnings of the *Resourcing* division grew by 73% to €2.66 million (prev. year: €1.53 million). The segment's high-margin Resource Management business accounted for the major share of this growth. Total earnings of the GFT Group amounting to €9.05 million also consider non-allocated, scheduled expenditure of the Group's headquarters amounting to €1.01 million.

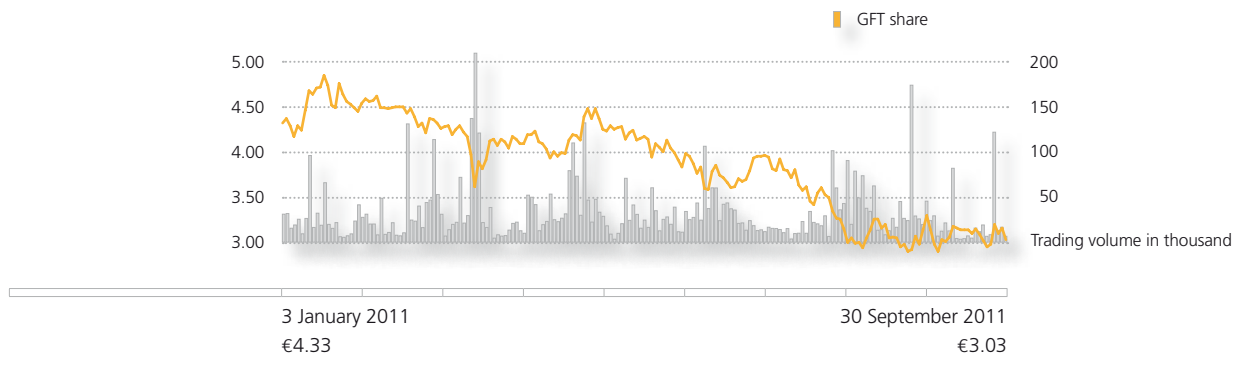
In view of the ongoing economic uncertainties and signs that falling finance sector demand observed in the third quarter is likely to continue in the fourth, the GFT Group no longer believes it can reach the targets it set itself for 2011 as a whole. The Executive Board expects a stable development for the full financial, but has adjusted the forecast made in the Consolidated Financial Statements 2010 to the current market environment. The Executive Board now expects revenue of €270 million and earnings before taxes of €11 million in the financial year 2011. The reduction results mainly from an expected fall in revenues generated in the corporate and investment banking business of the *Services* division. However, stable revenues are still expected in this segment from outsourcing services and IT solutions in the fields of core banking systems and customer management. The *Resourcing* division is expected to benefit from consistently strong demand in the industrial sector and thus compensate for revenue shortfalls with a major client in the finance sector. Starting in the coming year, this segment will focus on its high-margin Resource Management business.

GFT share

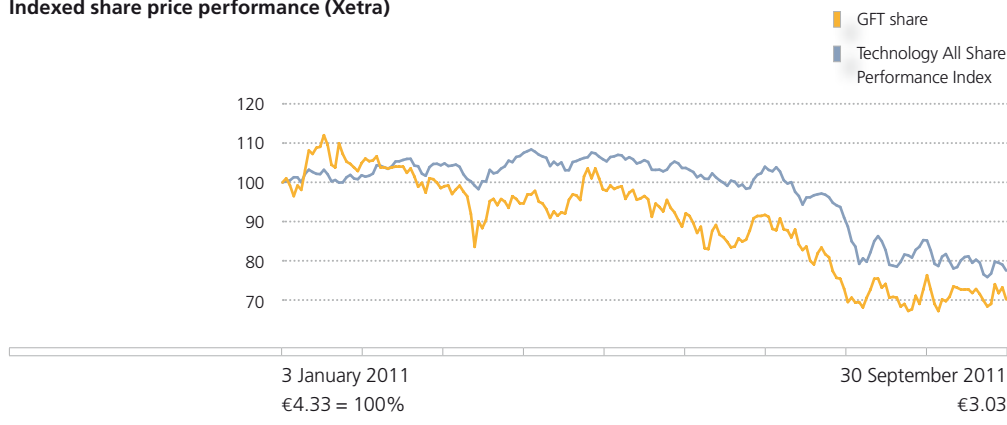
The international share markets got off to a good start in 2011 and continued to gather momentum in the first quarter. The upbeat mood was fuelled by positive economic and corporate data. As a consequence of the catastrophe in Japan, share prices around the world began to slide and there was an abrupt change in market mood: anxiety increasingly influenced investor behaviour; risk factors such as the European debt crisis, increased oil prices and other indicators signalling weaker growth began to compound each other.

At the beginning of the second half-year, confidence on the international share markets was further dampened by uncertainties surrounding the need to cut national debt in the USA, certain Euro zone nations and Japan. Fear of recession began to manifest itself in increasing stock volatility. In addition to concerns about continued economic growth, the market mood was hit above all by the downgrading of the USA's credit rating, which led to crash-like price falls on the world's stock markets in early August. Leading indicators also dampened growth expectations in the Euro zone; there were growing signs of a slowdown in growth – even in the previously robust German economy. Over the following weeks, share prices fluctuated to the rhythm of the

Share price performance in Euro (Xetra)



Indexed share price performance (Xetra)



debt crisis, without any indication of a sustainable trend. At times, investors were prone to sudden leaps in anxiety. Even strong second-quarter corporate results brought less relief than expected. Over the course of the third quarter, markets remained highly volatile. After moving sideways for several weeks with constant fluctuations, the German share market suffered a further strong decline in early September 2011 – to well below the previous lows. At the height of this development, the DAX fell below 5,000 points. The index closed on 30 September 2011 at 5,502.02 points – a loss of 21% on the year-opening level.

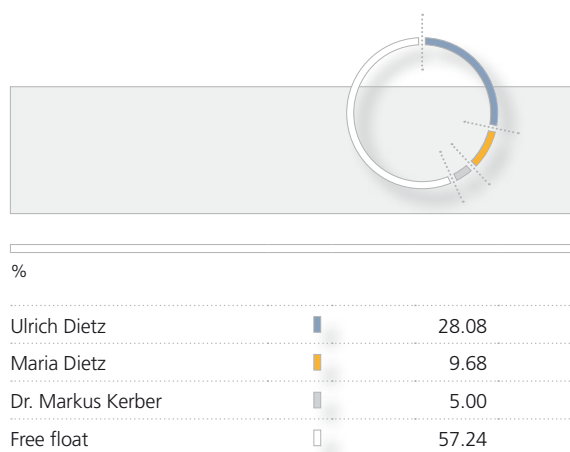
In this difficult market environment, the GFT share was also subject to volatile price changes. After a strong start to the year, the GFT share was unable to escape its turbulent market environment – especially in the third quarter, when investors became particularly cautious in view of extreme market uncertainty. Despite positive company announcements on the publication of the six-month report, the GFT share suffered losses in August. In line with the general market recovery towards the end of the month, however, the GFT share began to pick up again. After sliding in early September 2011, the share was able to gain ground again and closed on 30 September 2011 at €3.03.

Following publication of the half-yearly financial report for the period ending 30 June 2011, analysts of LBBW maintained their upside target of €5.00 and continued to advise investors to “buy” the GFT share. Analysts at Warburg Research and at equinet Bank AG reduced their upside target from €5.60 to €5.30 resp. from €5.10 to €4.60. They upheld their “buy” recommendation. In its first assessment of the GFT share, Hauck und Aufhäuser set an upside target of €5.70 and also recommended investors to “buy”.

Shareholder structure

There were no significant changes in the shareholder structure of GFT Technologies AG in the period under review. 28.08% of shares are held by company founder Ulrich Dietz. Maria Dietz owns 9.68% of voting shares. Dr. Markus Kerber, a former member of GFT’s Supervisory Board, holds 5% of shares. The free float portion amounts to 57.24%.

Shareholder structure (%)



Information on the GFT share

	Q1-3 2011	Q1-3 2010
Year-opening quotation (Xetra)*	€4.33	€2.45
Closing quotation on 30 September (Xetra)*	€3.03	€3.15
Percentage change since year-opening	-30%	+29%
Highest price (Xetra)*	€4.86 (18/01/2011)	€3.74 (15/03/2010)
Lowest price (Xetra)*	€2.90 (06/09/2011)	€2.33 (04/01/2010)
Market capitalisation as of 30 September	€79.77 million	€82.93 million
Earnings per share from continued operations	€0.26	€0.25
Average daily trading volume in shares (Xetra and Frankfurt)*	37,244	43,696

* daily closing prices

ISIN	DE 0005800601
Market segment	Prime Standard
Designated sponsors	Landesbank Baden-Württemberg (LBBW) equinet Bank AG
Number of no-par value shares	26,325,946

Development of revenue

The GFT Group generated total revenue of €207.87 million in the first nine months of 2011 – corresponding to year-on-year growth of 16% (prev. year: €178.74 million). Revenue in the third quarter amounted to €66.07 million, compared to €67.30 million in the first and €74.50 million in the second quarter. The *Resourcing* division made the strongest contribution to total revenue with €121.41 million, representing year-on-year growth of 31% (prev. year: €92.57 million). The *Services* division remained stable with segment revenue of €86.26 million (prev. year: €86.14 million).

Revenue by segment

The positive development of the *Resourcing* division is also reflected in the breakdown of revenue by segment. With 58% of total revenue in the period under review, the *Resourcing* division increased its share by 6%-points over the previous year (52%). This share breaks down further to 31% from the segment's Resource Management business and 27% from Third Party Management. The *Services* division accounted for 42% of total sales volume (prev. year: 48%).

Comprising both Resource Management and Third Party Management, the **Resourcing** division continued to benefit from a high level of demand for freelance IT specialists across all countries. At €121.41 million, segment revenue grew strongly by 31% compared to the previous year (€92.57 million). Demand from the industrial sector was still particularly strong. This had a positive impact on the division's Resource Management business, which enjoyed dynamic year-on-year revenue growth of 44% to €64.68 million (prev. year: €45.07 million). Third Party Management increased revenue by 19% to €56.73 million (prev. year: €47.50 million). Business in this field was affected for the first time in the third quarter by the end of a cooperation agreement with a major client due to insufficient margins. Whereas revenue generated with this client amounted to €17.62 million in the second quarter of 2011, the figure fell to €10.24 million in the third quarter; revenue in the fourth quarter is expected to reach around €6 million.

Revenue by segment



%	Q1-3 2011
<i>Resourcing</i>	58%
Third Party Management	27%
Resource Management	31%
<i>Services</i>	42%

Revenue by country



%	Q1-3 2011
Germany	55%
UK	14%
France	12%
Spain	9%
Switzerland	4%
USA	2%
Other countries	4%

In its financial year 2011, the GFT Group expects to generate total revenue of around €49.60 million with this major client; this amount will no longer be available in financial year 2012. This fall in revenue in the low-margin Third Party Management business will have little impact on earnings.

Despite a noticeable decline in investment among clients in the financial services industry in the second half of the year, the **Services** division succeeded in maintaining its high level of revenues. In the first nine months of 2011, segment revenue reached €86.26 million (prev. year: €86.14 million). Although demand for IT solutions in corporate and investment banking fell strongly in September this year, the segment generated stable revenues with its core banking solutions, outsourcing services and long-term projects.

Revenue by country

In the period under review, **Germany** accounted for 55% of total revenue (prev. year: 56%) and remains the GFT Group's largest sales market. Revenue generated with clients in Germany amounted to €113.75 million, corresponding to year-on-year growth of 15% (prev. year: €99.33 million). The *Resourcing* division played a key role in this revenue growth with new client acquisition and a positive development of revenues with customers in the industrial sector. The latter had a particularly strong impact on the Resource Management business, which began to gain momentum over the course of the reporting period. The *Services* division benefited from stable long-term projects in the finance sector which helped compensate for a more cautious investment approach by the financial services industry in the third quarter.

Due to sluggish demand from the finance sector as of the middle of the year, the positive development of GFT's second largest sales market, the **UK**, has lost momentum since early 2011 and revenues have now flattened off at the prior-year level. Demand for IT solutions in the field of corporate and investment banking was particularly weak in the third quarter, with corresponding consequences for segment revenue in the *Services* division. At €27.99 million

(prev. year: €27.83 million), the UK accounted for 14% of the GFT Group's total revenue in the period under review (prev. year: 16%).

France played an important role in the GFT Group's revenue growth over the first nine months of the year. This was due to a significant increase in revenue with industrial clients in the Resource Management business of the *Resourcing* division – partly as a result of successful new client acquisition. With strong year-on-year revenue growth of 67%, France has established itself as the GFT Group's third largest sales market. A total of €24.91 million was generated with French clients in the first nine months, compared to €14.89 million in the same period last year. The country's share of total revenue now amounts to 12% (prev. year: 8%).

There was a slight increase in revenue generated with clients in **Spain**. At €18.88 million, revenue was 9% above the prior-year figure (€17.32 million). The country accounted for 9% of total Group revenue (prev. year: 10%). Although conditions on the Spanish market remain difficult, the *Services* division was able to build on its traditionally high revenue volume. This was mainly due to the successful implementation of outsourcing projects for German and British financial institutes as well as stable long-term projects.

The GFT Group posted significant revenue growth of 91% in **Switzerland**. Both the acquisition of Asymo AG in June this year and the highly successful expansion of business in both divisions played a major role in this development. In the first nine months of 2011, total revenue of €9.10 million was generated (prev. year: €4.77 million). The Swiss market's share of total revenue grew accordingly from 3% to 4%.

As in the UK, weak demand in corporate and investment banking in the second half of the year also impacted revenue of the *Services* divisions in the **USA**. Despite adverse market conditions, however, the division succeeded in keeping revenue stable at €4.97 million in the period under review (prev. year: €4.94 million). The country's share of total revenue amounted to 2% (prev. year: 3%).

Total revenue generated by the GFT Group with clients in “**Other countries**” – including the Benelux states, Italy and Brazil – amounted to €8.27 million, 14% less than last year (€9.66 million). This was due to a decline in revenue with a major client in Poland and Portugal. The proportion of total revenue remains unchanged at 4%.

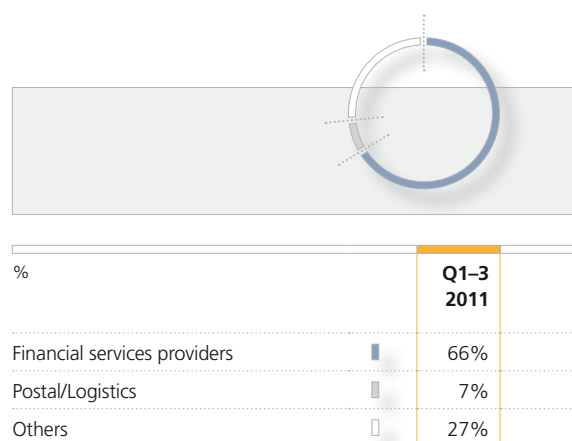
Revenue by industry

Although the **financial services sector** remains the GFT Group's most important industry, its relevance has fallen slightly with a revenue share of 66% (prev. year: 69%). Despite a growing reluctance of corporate and investment banking clients to invest during the third quarter, the high level of revenues in this sector was raised once again. In the first nine months of the current year, banks and insurance companies accounted for revenue of €138.11 million. This represents year-on-year growth of 11% (prev. year: €124.08 million).

Projects with clients in the **postal and logistics industry** generated revenue of €14.37 million in the period under review – an increase of 13% over the previous year (€12.75 million). This sector therefore continues to account for 7% of total revenue (prev. year: 7%). The growth was driven above all by the expansion of the Resource Management business, which benefited from strong demand for freelance IT specialists.

With a relative share of total revenue of 27%, the “**Others**” category – including the industrial sector – has grown in importance for the GFT Group (prev. year: 24%). In line with the upswing in manufacturing as of early 2011, demand for freelance IT experts and engineers continued to grow over the course of the year. This was felt above all in the country revenues of Germany and France. Compared to the previous year, revenue in this category rose sharply by 32% to €55.39 million (prev. year: €41.91 million).

Revenue by industry



Earnings position

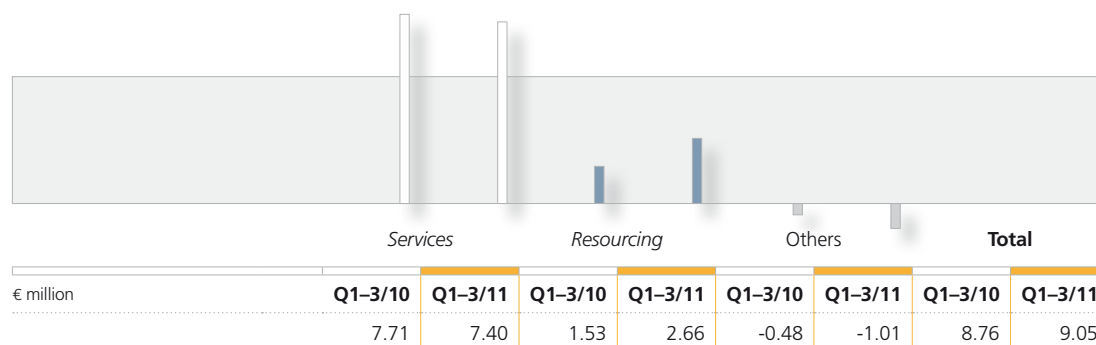
Earnings before taxes (EBT) of the GFT Group after the first three quarters of 2011 were up €0.29 million on the same period last year to reach €9.05 million (prev. year: €8.76 million). Compared to the preceding quarterly result of €4.11 million, earnings before taxes in the third quarter of 2011 were down €0.58 million to €3.53 million. This was mainly due to falling revenue in the *Services* segment, resulting in the loss of corresponding project-based margins and a negative impact on the utilisation of staff. This development results from the adverse market situation faced by GFT's bank clients.

Earnings before interest and taxes (EBIT) increased in line with EBT and amounted to €8.53 million as of 30 September 2011 (prev. year: €8.26 million).

Earnings before interest, taxes, depreciation and amortisation (EBITDA) reached €9.49 million and were thus 4% above the prior-year figure of €9.12 million.

At €6.76 million, **net income** for the first nine months was largely unchanged from last year (€6.70 million). This was mainly due to slightly higher tax expenses in 2011. As a consequence, the calculated **tax ratio** rose from 24% on the same date last year to 25% in 2011.

Earnings by segments



The tax result in the third quarter includes an extraordinary positive effect from Spain. The use of tax relief for certain R&D expenditure in Spain led to a tax refund of €0.62 million for the years 2006 to 2010. This tax break for future investments will continue to slightly reduce taxes in Spain during the current financial year and in the following years.

Earnings per share after three quarters amounted to €0.26 per share and were thus €0.01 above the comparable prior-year figure (€0.25). These figures are based on an average of 26,325,946 outstanding shares.

Group earnings position by segment

The contribution to earnings made by the **Services** segment in the third quarter of 2011 was below the corresponding figure of the previous year. The reason was the slower demand for IT services caused by the current uncertainty in the finance sector. Whereas the *Services* segment posted record earnings of €3.69 million in the third quarter of 2010, earnings in the same period of 2011 were down to €2.83 million – corresponding to an operating margin of 10.1% (prev. year: 12.3%). The total operating margin for the first three quarters of 2011 amounted to 8.6% (prev. year: 8.9%). The exceptionally high level of staff utilisation in the third quarter of 2010 could not be repeated in all units in the same period of 2011. As a result, total earnings of the *Services* segment after three quarters fell short of the prior-year figure at €7.40 million (prev. year: €7.71 million).

Earnings of the **Resourcing** segment have remained strong at €1.00 million and an operating margin of 2.7% in the third quarter of 2011. In the same period last year, the segment posted earnings of €0.68 million and an operating margin of 2.0%. Viewed over all three quarters of 2011, the *Resourcing* segment contributed €2.66 million to total earnings (prev. year: €1.53 million) and achieved an operating margin of 2.2% (prev. year: 1.7%). This was mainly the result of increased placements of highly skilled IT and engineering specialists and a contrasting fall in low-margin Third Party Management activities. As of 30 September 2011, Third Party Management accounted for €0.35 million of earnings (prev. year: €0.20 million). The segment's Resource Management business generated earnings of €2.31 million (prev. year: €1.33 million).

Group earnings position by income and expense items

As of 30 September 2011, **other operating income** amounted to €2.81 million. As in the previous year, the main items were currency gains and the liquidation of provisions which totalled €2.72 million.

Due to strong demand for freelance staff, the **cost of materials** is still well above the prior-year figure after three quarters of 2011. At €122.20 million, the cost of materials was 22% above the corresponding amount of 2010 (€100.49 million).

Personnel expenses also increased year on year from €56.63 million to €61.49 million. This was due to a higher average headcount in 2011 compared to 2010, when headcount grew strongly over the course of the year.

At the end of the third quarter, **depreciation of non-current intangible and tangible assets** continued to play a minor role. At €0.97 million, this cost item changed little in absolute terms from the prior-year figure of €0.86 million.

Other operating expenses increased by €2.17 million to €17.29 million (prev. year: €15.12 million). There was an increase in administrative and sales expenses – especially travel and advertising costs – due to the expansion of business.

Financial position

Cash, cash equivalents and securities amounted to €28.16 million at the end of the third quarter and were thus €4.52 million below the prior-year figure (€32.68 million). This was mainly due to the acquisition of Asymo AG and a higher dividend payment to shareholders in June 2011.

There was a decline in **trade receivables** during the third quarter of 2011. Compared to the second quarter of 2011, the figure fell by €16.32 million to €60.02 million. On the same date last year, trade receivables had a similar value of €57.49 million. As of 30 September 2011, **trade payables** were also slightly up on the previous year at €22.61 million (prev. year: 20.39 million). This was largely in line with the increase in material expenses.

There was a corresponding improvement in **cash flows from operating activities** which amounted to €-0.36 million at the end of the third quarter (prev. year: €-1.85 million).

Compared to the preceding quarter, **cash flows from investing activities** fell slightly by €-0.37 million and amounted to €-1.21 million after the first three quarters of 2011. The prior-year figure of €-13.99 million is not comparable. Long-term financial investments were made in 2010 which resulted in a massive reduction in cash flows from investing activities.

There was also little change in **cash flows from financing activities** during the third quarter, which amounted to €-3.95 million. The figure refers exclusively to dividend payments to the company's owners (prev. year: €-2.29 million). The difference to the previous year resulted from the increased dividend in 2011 of €0.15 per share (prev. year: €0.10 per share).

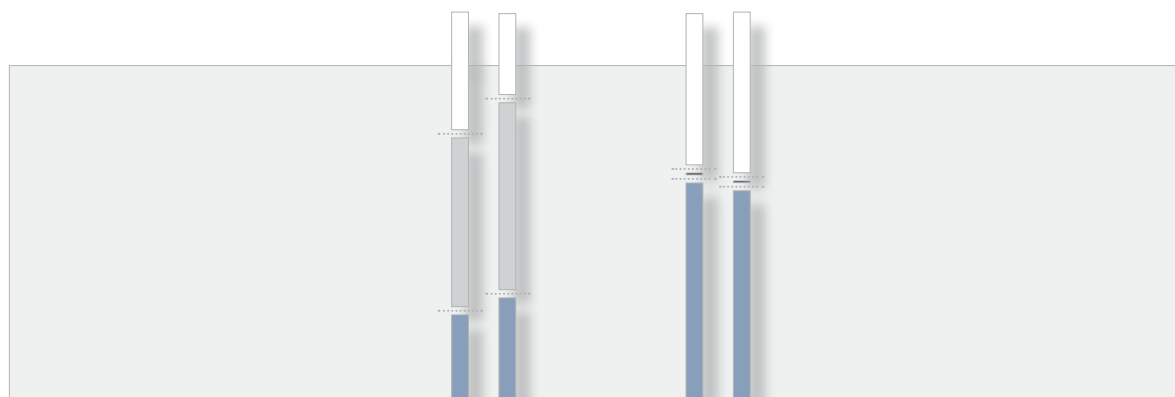
Asset position

On 30 September 2011, the **balance sheet total** of the GFT Group was almost unchanged at €128.15 million, compared to the year-end figure for 2010 of €128.58 million.

In terms of content, however, the **asset side** was affected by the acquisition of Asymo AG in June 2011. Goodwill amounted to €26.80 million, compared to the year-end 2010 figure of €20.37 million. In contrast, financial assets fell from €12.75 million as of 31 December 2010 to €6.30 million as of 30 September 2011. Non-current assets therefore totalled €41.49 million and were only slightly down on year-end 2010 (€42.19 million). In total, current assets also remained largely unchanged at €86.65 million at the end of the third quarter 2011 (31 December 2010: €86.39 million). Trade receivables rose by almost the same amount as the fall in cash and cash equivalents.

On the **liabilities side**, equity grew by €2.74 million to €74.01 million (31 December 2010: €71.27 million). As a result, the **equity ratio** rose to 58% (31 December 2010: 55%). In terms of **debt**, there was a significant decline in trade payables to €22.61 million (2010: €27.87 million). Total debt at the end of the first nine months of 2011 amounted to €54.14 million, compared to €57.31 million at the end of 2010.

Group balance sheet structure



ASSETS in € million	31/12/2010		30/09/2011		EQUITY & LIABILITIES in € million
	31/12/2010	30/09/2011	30/09/2011	31/12/2010	
Cash, cash equivalents and securities	40.32	28.16	51.90	55.22	Current liabilities
Other current assets	58.77	64.75	2.24	2.09	Non-current liabilities
Other non-current assets	29.49	35.24	74.01	71.27	Equity capital
	128.58	128.15	128.15	128.58	

Employees

Compared to the same date last year, the GFT Group increased headcount by 4%, or 53 persons, and employed a total of 1,321 persons at the end of the reporting period. Headcount is calculated on the basis of full-time employees, while part-time staff are included on a pro rata basis. In comparison with 31 March 2011 (1,307 employees) and 30 June 2011 (1,317), there was a slight quarter-on-quarter increase as of 30 September 2011. The reason was an adjustment in recruiting measures in view of the current market situation.

The increase in headcount as of the reporting date is mainly due to the **Services** segment. A total of 1,185 people were employed in this segment – a rise of 5% or 53 persons over the same date last year. There were increases in Germany, Spain and Switzerland. In the latter, the acquisition of Asymo AG in June 2011 raised headcount by 23.

The number of staff employed by the **Resourcing** division fell from 97 on the same date last year to 92 persons as of 30 September 2011.

The **“Others”** category comprises 44 persons belonging to the holding company – 5 more than at this time last year.

Employees by division as of 30 September

	2011	2010
Services	1,185	1,132
Resourcing	92	97
Others	44	39
Total	1,321	1,268

The number of people employed in **Germany** as of 30 September 2011 amounted to 288 – 24 persons or 9% more than on this date last year. **Staff employed outside Germany** thus totalled 1,033 (prev. year: 1,004) and accounted for 78% of total headcount (prev. year: 79%).

The average number of **freelancers** employed rose to 1,361 (prev. year: 1,205).

Employees by country as of 30 September

	2011	2010
Germany	288	264
Brazil	153	165
France	17	17
UK	32	25
Switzerland	53	24
Spain	774	770
USA	4	3
Total	1,321	1,268
Foreign share	78%	79%

Research and development

Research and development expenses in the first nine months of 2011 amounted to €1.51 million (prev. year: €0.93 million). This year-on-year increase of 62% resulted mainly from R&D activities in connection with the following strategic initiatives initiated in 2010 and continued in the reporting period:

a-touch: GFT continued to develop the IT-aided solution for advisors in the field of private banking and wealth management. The application provides system-supported implementation of compliance requirements and features additional security components which make it equally suitable for use on mobile devices.

SAP Competence Centre: experts at the SAP Competence Centre develop application possibilities to help financial institutes convert their systems to SAP software.

Mobile Finance: with the expansion of its Mobile Finance Competence Centre founded in 2009, GFT has been driving its development of platform-independent applications for financial service providers.

The “**Finance IT**” innovation initiative aimed at developing modern IT solutions, e.g. in the fields of customer management systems, churn management and the use of biometric systems, has now been completed. The results of these development activities have been integrated into the GFT Group’s portfolio of products and services.

In order to ensure consistently high quality in its global development efforts, the GFT Group is continuing its internal efforts to optimise software development processes in accordance with the internationally recognised CMMI® (Capability Maturity Model Integration) standard. In June 2011, GFT was able to renew its CMMI® Level 3 certificate first acquired in 2008.

Subsequent events

On 7 October 2011, GFT USA, Inc., New York, acquired the Consulting division of G2 Systems, LLC, New York. The acquisition enables GFT to expand its portfolio with the addition of high-class IT consulting services in the field of investment banking.

Opportunity and risk report

After the first three quarters of 2011, there were no material changes with regard to the comprehensive discussion of opportunities and risks provided in the Management Report accompanying the 2010 Consolidated Financial Statements. The GFT Group's risk position can therefore be regarded as unchanged.

Forecast report

The global economic upturn is losing momentum and remains fraught with uncertainty. The prospects for the global economy deteriorated strongly in the summer of 2011: the historic downgrading of the USA's credit rating by one of the leading rating agencies in August helped spread uncertainty, while the sovereign debt crisis in Europe threatened to develop into a banking crisis. In its current September report, the International Monetary Fund (IMF) reduced its forecast for 2012 to 4.0%. In June, the IMF's experts had forecast 4.5% growth for the coming year.

The Euro zone also gives cause for concern. Although the highly indebted Euro states have now accepted budget cuts, weak consumer spending in many countries indicates that private consumption is not likely to compensate for falling state spending. For the coming year, the IMF anticipates economic growth of 1.1% and has thus downgraded its June forecast by 0.6 %-points.

The IMF has also reduced its growth forecast for Germany to 1.3% in 2012, compared to 2.0% announced in June. Germany's leading economic institutes also expect a marked cooling down of the economy and were much more pessimistic in their autumn report than in spring. The German economy is expected to grow much more slowly in 2012. Following 2.9% this year, gross domestic product (GDP) is likely to grow by just 0.8% in the coming year. In spring, experts were still predicting growth of 2.0% for 2012. Germany will thus experience much slower growth next year than expected. The reasons stated include the effects of the debt crisis and a global economic slowdown.

According to the German Federal Association for Information Technology, Telecommunications and New Media (BITKOM), this loss of economic momentum has not yet had any significant impact on Germany's ICT sector. In the latest BITKOM barometer of business confidence in September, the majority of companies were still upbeat about future prospects: 75% of ICT companies interviewed expected increased revenues for 2011 as a whole. 86% of IT service providers are optimistic and expect revenue growth to continue. The high-tech association believes that new technologies such as cloud computing and the increasing spread of high-performance mobile devices will fuel the ICT sector's dynamic development. Growth is expected to be driven mainly by the service sector and manufacturing. According to BITKOM, this will further exacerbate the current lack of skilled staff: there is currently strong demand for IT experts, as well as engineers and business graduates with IT knowledge.

The sector association is upholding its forecast for the current and coming financial year: the total ICT market is expected to grow by 2.3% to €133.0 billion in 2011; growth of 2.4% to €136.2 billion is forecast for 2012. The IT market is expected to grow by 4.3% to €68.8 billion in 2011. For the coming year, BITKOM anticipates growth of 4.4% to €71.8 billion. In the field of IT services, revenues in 2011 are likely to grow by 3.5% to €34.2 billion and by 3.8% to €35.5 billion next year.

The GFT Group's development over the remaining months is unlikely to escape the effects of a more depressed global economy and will reflect the slowdown in growth. Due to their differing business models and client structures, the *Resourcing* and *Services* divisions will react differently to their market environments.

The strong demand for freelance IT specialists will continue to positively affect the development of the *Resourcing* division. It is expected to continue its dynamic growth of the first nine months in the fourth quarter. By focusing on its Resource Management business – and thus its higher-margin business model – the segment's expected revenue growth will also have a positive impact on earnings. The placement of freelance IT experts will continue to be driven by strong demand in the industrial sector in the last three

months of the year; revenue growth is expected mainly in Germany and France. The complete winding down of revenue generated with a major client in the finance sector by year-end will result in a reduction of revenue in our Third Party Management business of around €50 million in the coming financial year. Due to the low margins in this business, however, there will be no significant impact on earnings in 2012.

The marked decline in the finance sector's propensity to invest, which became apparent during the third quarter, will continue to impact the *Services* division in the fourth quarter. Investment freezes already announced – such as a two-week closure of UK banks for IT service providers in December – will have a noticeable effect on capacity utilisation and thus on the revenue and operating result of this segment. Despite these short-term revenue declines, stable income from long-term projects in core banking and customer management systems, as well as from outsourcing services and IT solutions for regulatory compliance will ensure sound progress in the *Services* segment.

After experiencing dynamic growth across all sectors and countries during the year so far, the GFT Group is now entering a phase in which business is dominated by a highly volatile market environment. The potential risks of an upswing discussed at the beginning of the year are now manifesting themselves in the form of strong financial market turbulence, economic uncertainty and a resulting fall in demand from the finance sector. Thanks to its broad range of products and services and international alignment, the GFT Group is capable of balancing out falling demand in individual sectors or countries and expects to close financial year 2011 with a solid performance. In line with its responsible business policy, the Executive Board has defined new targets for 2011 as a whole and adjusted its revenue and earnings forecast to the current uncertain market environment. For the current financial year, the Executive Board no longer expects the company to reach revenue of €275 million and earnings before tax of €13 million, as forecast in the Consolidated Financial Statements 2010. The Executive Board now expects revenue of €270 million and an EBT result of €11 million.

Stuttgart, 7 November 2011

GFT Technologies Aktiengesellschaft

The Executive Board



Ulrich Dietz
Executive Board (Chairman)



Jean-François Bodin
Executive Board



Marika Lulay
Executive Board



Dr. Jochen Ruetz
Executive Board

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the period from 1 January to 30 September 2011
GFT Technologies Aktiengesellschaft, Stuttgart

Partial Statement Affecting Net Income: Consolidated Income Statement

€	9 months		Third quarter	
	01/01– 30/09/2011	01/01– 30/09/2010	01/07– 30/09/2011	01/07– 30/09/2010
Revenue	207,873,143.40	178,735,584.08	66,069,810.56	64,056,146.45
Other operating income	2,810,315.14	2,720,178.01	1,425,612.73	641,762.35
	210,683,458.54	181,455,762.09	67,495,423.29	64,697,908.80
Cost of materials				
a) Expenses for raw materials and supplies and for purchased goods	48,047.55	21,446.55	43,192.40	7,341.52
b) Costs of purchased services	122,148,669.74	100,467,181.31	37,668,535.75	37,174,417.16
	122,196,717.29	100,488,627.86	37,711,728.15	37,181,758.68
Personnel expenses				
a) Salaries and wages	50,704,128.75	47,082,349.19	15,932,812.47	14,628,395.25
b) Social security and expenditures for retirement pensions	10,782,294.89	9,551,918.54	3,597,996.03	3,318,834.70
	61,486,423.64	56,634,267.73	19,530,808.50	17,947,229.95
Depreciation on non-current intangible assets and of tangible assets	967,540.86	864,947.79	334,018.56	293,739.78
Other operating expenses	17,288,879.41	15,118,494.94	6,423,687.24	5,295,857.29
Result from operating activities	8,743,897.34	8,349,423.77	3,495,180.84	3,979,323.10
Income from participations	20,000.00	0.00	20,000.00	0.00
Other interest and similar income	527,071.70	517,150.68	121,791.72	220,456.47
Profit share from associates	1,040.23	-11,855.87	-506.11	-1,615.58
Depreciation on securities	218,023.93	78,980.30	96,500.00	78,980.30
Interest and similar expenses	23,200.04	11,386.54	10,752.57	3,178.59
Financial result	306,887.96	414,927.97	34,033.04	139,913.16
Earnings before taxes	9,050,785.30	8,764,351.74	3,529,213.88	4,119,236.26
Taxes on income and earnings	2,290,039.93	2,064,840.53	400,833.37	973,387.39
Net income from continued operations	6,760,745.37	6,699,511.21	3,128,380.51	3,145,848.87
Net loss from discontinued operations	0.00	-382,704.46	0.00	-113,474.29
Net income	6,760,745.37	6,316,806.75	3,128,380.51	3,032,374.58
– attributable to non-controlling equity holders	0.00	0.00	0.00	0.00
– attributable to equity holders of the parent	6,760,745.37	6,316,806.75	3,128,380.51	3,032,374.58
Net earnings per share – undiluted	0.26	0.24	0.12	0.12
Net earnings per share – diluted	0.26	0.24	0.12	0.12
Net earnings per share from continued operations – undiluted	0.26	0.25	0.12	0.12
Net earnings per share from discontinued operations – diluted	0.26	0.25	0.12	0.12

Partial Statement Not Affecting Net Income: Consolidated Income Statement

€	9 months		Third quarter	
	01/01/– 30/09/2011	01/01/– 30/09/2010	01/07/– 30/09/2011	01/07/– 30/09/2010
Net Income	6,760,745.37	6,316,806.75	3,128,380.51	3,032,374.58
Financial assets available for sale (securities):				
– Change of fair value recognised in equity during the period	-180,339.49	374,500.00	-246,300.00	136,000.00
– Reclassification amounts to the income statement	0.00	-292,800.00	0.00	0.00
	-180,339.49	81,700.00	-246,300.00	136,000.00
Exchange differences on translating foreign operations:				
– Profits/losses during the period	85,943.95	214,097.65	-51,978.24	-24,457.62
– Reclassification amounts to the income statement	0.00	0.00	0.00	0.00
	85,943.95	214,097.65	-51,978.24	-24,457.62
Income taxes on components of other result	21,599.06	24,920.00	5,040.00	0.00
Other result	-72,796.48	320,717.65	-293,238.24	111,542.38
Total result	6,687,948.89	6,637,524.40	2,835,142.27	3,143,916.96
– thereof attributable to non-controlling shareholders	0.00	0.00	0.00	0.00
– thereof attributable to shareholders of parent company	6,687,948.89	6,637,524.40	2,835,142.27	3,143,916.96

CONSOLIDATED BALANCE SHEET

as at 30 September 2011

GFT Technologies Aktiengesellschaft, Stuttgart

Assets

€	30/09/2011	31/12/2010	31/12/2009
Non-current assets			
Intangible assets			
Licences, industrial property rights and similar rights	548,971.41	431,980.03	364,535.53
Goodwill	26,801,851.98	20,367,546.07	20,365,010.57
	27,350,823.39	20,799,526.10	20,729,546.10
Tangible assets			
Other equipment, office and factory equipment	2,607,139.92	2,601,922.52	2,044,691.89
Construction on foreign property	67,176.48	104,365.67	146,776.26
	2,674,316.40	2,706,288.19	2,191,468.15
Financial assets			
Securities	6,257,185.70	12,702,271.24	0.00
Financial assets, accounted for using the equity method	45,049.18	44,008.95	36,165.05
Investments	0.00	0.00	0.00
	6,302,234.88	12,746,280.19	36,165.05
Other assets	423,287.67	404,771.40	349,408.58
Income tax assets	502,410.38	585,029.38	655,816.14
Deferred tax assets	4,239,812.14	4,948,002.63	5,813,304.61
	41,492,884.86	42,189,897.89	29,775,708.63
Current assets			
Trade receivables	60,015,770.56	54,799,670.75	41,757,487.92
Securities	1,184,300.00	1,384,000.00	2,235,800.00
Current tax assets	880,520.93	243,550.42	204,920.81
Cash and cash equivalents	20,716,921.18	26,232,995.13	35,471,848.76
Other assets	3,857,385.70	3,727,586.93	1,886,174.47
	86,654,898.37	86,387,803.23	81,556,231.96
Non-current assets and disposal groups held for sale	0.00	0.00	2,049,496.73
	86,654,898.37	86,387,803.23	83,605,728.69
	128,147,783.23	128,577,701.12	113,381,437.32

Shareholders' Equity and Liabilities

€	30/09/2011	31/12/2010	31/12/2009
Shareholders' equity			
Equity attributable to equity holders of the parent			
Share capital	26,325,946.00	26,325,946.00	26,325,946.00
– Conditional capital €7,500,000.00 (prev. year: €8,280,000.00)			
Capital reserve	42,147,782.15	42,147,782.15	42,147,782.15
Retained earnings			
Other retained earnings	10,243,349.97	10,243,349.97	8,543,349.97
Changes in equity not affecting net income			
Foreign currency translations	621,254.96	535,311.01	140,577.64
Reserve of market assessment for securities	-586,540.43	-427,800.00	-410,420.00
Consolidated balance sheet loss	-4,742,558.66	-7,554,412.13	-10,995,236.23
	74,009,233.99	71,270,177.00	65,751,999.53
Interests of non-controlling equity holders	0.00	0.00	0.00
	74,009,233.99	71,270,177.00	65,751,999.53
Liabilities			
Non-current liabilities			
Provisions for pensions	688,225.40	652,225.40	457,472.44
Other provisions	1,006,488.23	969,795.00	879,895.84
Deferred tax liabilities	546,565.79	469,197.24	601,198.65
	2,241,279.42	2,091,217.64	1,938,566.93
Current liabilities			
Other provisions	19,323,537.57	18,195,205.23	13,568,351.01
Income tax liabilities	2,254,866.79	1,285,617.34	1,170,106.70
Trade payables	22,610,209.14	27,873,659.18	23,277,976.61
Other liabilities	7,708,656.32	7,861,824.73	5,999,709.79
	51,897,269.82	55,216,306.48	44,016,144.11
Liabilities directly associated with non-current assets and disposal groups held for sale	0.00	0.00	1,674,726.75
	51,897,269.82	55,216,306.48	45,690,870.86
	54,138,549.24	57,307,524.12	47,629,437.79
	128,147,783.23	128,577,701.12	113,381,437.32

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

as at 30 September 2011
GFT Technologies Aktiengesellschaft, Stuttgart

€	Subscribed capital	Capital reserve	Retained earnings
			Other retained earnings
As at 01/01/2010	26,325,946.00	42,147,782.15	8,543,349.97
Dividend payment May 2010			
Total income and expenses for the period 01/01–30/09/2010			
As at 30/09/2010	26,325,946.00	42,147,782.15	8,543,349.97
Dividend payment May 2010			
Total income and expenses for the period 01/01–31/12/2010			
Allocations to retained earnings 2010			
– to other retained earnings			1,700,000.00
As at 31/12/2010	26,325,946.00	42,147,782.15	10,243,349.97
Dividend payment June 2011			
Total income and expenses for the period 01/01–30/09/2011			
As at 30/09/2011	26,325,946.00	42,147,782.15	10,243,349.97

Changes in equity not affecting results		Consolidated balance sheet loss	Equity attributable to equity holders of the parent	Non-controlling equity holders	Total share capital
Foreign currency translations	Market assessment for securities				
140,577.64	-410,420.00	-10,995,236.23	65,751,999.53	0.00	65,751,999.53
		-2,632,594.60	-2,632,594.60	0.00	-2,632,594.60
214,097.65	106,620.00	6,316,806.75	6,637,524.40	0.00	6,637,524.40
354,675.29	-303,800.00	-7,311,024.08	69,756,929.33	0.00	69,756,929.33
		-2,632,594.60	-2,632,594.60	0.00	-2,632,594.60
394,733.37	-17,380.00	7,773,418.70	8,150,772.07	0.00	8,150,772.07
		-1,700,000.00	0.00	0.00	0.00
535,311.01	-427,800.00	-7,554,412.13	71,270,177.00	0.00	71,270,177.00
		-3,948,891.90	-3,948,891.90	0.00	-3,948,891.90
85,943.95	-158,740.43	6,760,745.37	6,687,948.89	0.00	6,687,948.89
621,254.96	-586,540.43	-4,742,558.66	74,009,233.99	0.00	74,009,233.99

CONSOLIDATED CASH FLOW STATEMENT

for the period from 1 January to 30 September 2011
GFT Technologies Aktiengesellschaft, Stuttgart

	9 months	
€	01/01/– 30/09/2011	01/01/– 30/09/2010
Net income	6,760,745.37	6,316,806.75
Depreciation on non-current intangible and tangible assets	967,540.86	881,813.79
Changes in provisions	829,064.27	6,157,118.25
Other non-cash expenses/income	250,768.24	196,705.64
Profit/loss from the disposal of long-term tangible and intangible assets as well as financial assets	20,084.54	-301,000.00
Changes in trade receivables	-3,875,241.03	-15,689,454.80
Changes in other assets	31,655.96	-854,292.24
Changes in trade liabilities and other liabilities	-5,427,654.15	1,446,175.61
Other changes in equity	85,943.95	0.00
Cash flow from operating activities	-357,091.99	-1,846,127.00
Cash receipts from sale of tangible assets	450.00	0.00
Cash payments to acquire tangible assets	-743,235.81	-918,374.43
Cash payments to acquire non-current intangible assets	-309,924.22	-154,545.32
Cash receipts from sale of financial assets	6,226,500.00	0.00
Cash payments to acquire financial assets	0.00	-12,733,959.31
Cash receipts from sale of consolidated companies net of cash and cash equivalents disposed of ¹	0.00	-1,331,471.43
Cash payments from acquisition of consolidated companies net of cash and cash equivalents acquired	-6,383,880.03	0.00
Cash receipts for the short-term financial management of cash investments	0.00	1,150,000.00
Cash flow from investing activities	-1,210,090.06	-13,988,350.49
Payments to shareholders	-3,948,891.90	-2,632,594.60
Cash receipts from taking out financial loans	0.00	100,543.11
Other changes in equity	0.00	239,017.65
Cash flow from financing activities	-3,948,891.90	-2,293,033.84
Change in cash funds from cash-relevant transactions	-5,516,073.95	-18,127,511.33
Cash funds at the beginning of the period	26,232,995.13	36,200,628.61
Cash funds at the end of the period	20,716,921.18	18,073,117.28

¹ The item concerns discontinued operations.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

as at 30 September 2011

GFT Technologies Aktiengesellschaft, Stuttgart

Fundamentals for the GFT Group's Interim Financial Statements

The Consolidated Interim Financial Statements of GFT Technologies Aktiengesellschaft (»GFT AG«) should be read in conjunction with the Annual Financial Statements of GFT AG as of the end of the last financial year (31 December 2010). They were drawn up in euro (€) in accordance with standard principles of accounting and valuation and conform to the prescriptions set out in IAS 34, sections 37w and 37y of the German Securities Trading Act (WpHG) and the regulations for the Frankfurt Stock Exchange.

The Interim Financial Statements have been prepared according to the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) effective on the balance sheet date, which are to be applied within the EU. The same accounting and valuation methods were used in these Interim Financial Statements as in the last Consolidated Financial Statements as at 31 December 2010. New or amended standards and interpretations to be applied as of the beginning of the financial year 2011 did not have any major effect on the Interim Financial Statements.

Changes to the consolidated group and its associated companies

The following changes to the scope of consolidation have occurred since the Consolidated Financial Statements were closed on 31 December 2010:

On 10 February 2011, GFT UK Limited, London, founded the company GFT UK Invest Limited, domiciled in London. The newly formed company has been included in the consolidated group since 10 February 2011. Since its foundation, GFT UK Invest Limited has not yet developed any operating activities of note; its initial inclusion in the consolidated accounts had no significant impact on the assets, financial and earnings position of the Group.

On 9 June 2011, GFT AG acquired all shares in Asymo AG, Adliswil, Switzerland (since 31 August 2011: GFT Financial Solutions AG, Glattbrugg). The aforementioned company was initially included in the consolidated group as of the acquisition date of 9 June 2011. In the period 1 January 2011 to 30 September 2011, its contribution to revenues of the GFT Group amounted to €2,570 thousand with a contribution to net income of this period of €520 thousand. As of 30 September 2011, GFT Financial Solutions AG accounted for 2.4% of the Group's total assets. Initial inclusion of GFT Financial Solutions AG in the consolidated accounts therefore had an impact on the Group's assets, financial and earnings position and impaired comparability with prior-year figures.

Discontinued operations

The GFT Group intended to dispose of its business activities in the *Software* division. The Executive Board of GFT AG had adopted a respective disposal plan and had been actively seeking a buyer since November 2009; the disposal was expected to be completed in the second quarter of 2010. Most of the activities in this business division, and the respective employees, were pooled with the subsidiary GFT *inboxx* GmbH, Hamburg, Germany. All shares in this subsidiary were to be sold. Moreover, the *Software* division of GFT AG included disclosed software rights which are also to be sold. The *Software* division to be sold was identical with the *Software* segment, which is disclosed separately in segment reporting.

Discontinuation of the business division will take the form of a disposal as a whole. As the division intended for disposal also represents a disposal group as defined by IFRS 5, the disclosure and measurement regulations of IFRS 5 have been applied.

The discontinuation of the business division in the second quarter of the financial year 2010 was realised as follows:

In a purchase agreement dated 14 May 2010, the software rights of GFT AG were sold to a non-Group company. In a share purchase agreement also dated 14 May 2010, GFT AG sold all shares in the subsidiary GFT *inboxx* GmbH to the same buyer; the *Software* segment was thus disposed of. All assets and liabilities of the *Software* segment were

transferred on 14 May 2010, with the exception of pension obligations and the respective securities which the Group retains in contrast to the original plan due to the developing sales process; this decision had no impact on the net income of the financial year 2010. The disposal of the *Software* segment resulted in a loss of €464 thousand.

The net loss after taxes of the discontinued operation is disclosed in a separate line of the Consolidated Statement of Comprehensive Income (2010, Consolidated Income Statement section). The Consolidated Balance Sheet also includes assets and liabilities pertaining to discontinued operations, summarised as separate items (31 December 2009).

Business combinations during the reporting period

Business combination GFT Financial Solutions AG, Glattbrugg, Switzerland

On 9 June 2011 (acquisition date), GFT AG acquired 100% of equity shares with voting rights in GFT Financial Solutions AG, Glattbrugg, (formerly Asymo AG, Adliswil) Switzerland, and thus gained control of the acquired company. GFT Financial Solutions AG is a Swiss IT consultancy for the core banking solution Avaloq.

The main reasons for the business combination were to strengthen GFT's position as an IT specialist for banks in the important Swiss market and to expand its portfolio of services by adding top-quality consultancy expertise in the field of standard software for banks. The factors contributing to the acquisition costs and to the measurement of goodwill were as follows:

- a) the outstanding skills and activities of GFT Financial Solutions AG's employees;
- b) the existing positioning of GFT Financial Solutions AG with customers for core banking applications, including existing general agreements;
- c) the expected synergies between GFT and GFT Financial Solutions AG in the joint development of existing accounts and new markets;
- d) intangible assets which are not classified for separate measurement.

The following figures are preliminary and will change as certain purchase price components have not yet been set or depend on future developments and other quantitative examinations, e.g. the identification of transferred intangible assets, which have not yet been conducted.

The fair value of the total transferred consideration valid on the date of purchase amounts to €7.9 million; it refers in full to the cash offered. In addition to this consideration as of the purchase date, there are agreements concerning considerations in return which depend on the future earnings of the acquired company; due to their uncertainty, no amount was recognised at the date of purchase. The range of these considerations in return not yet recognised is between CHF 0 and CHF 8 million.

The acquired receivables refer to trade receivables. The fair value of acquired receivables amounts to €1,341 thousand, their gross amount is €1,385 thousand. As of the acquisition date, receivables expected to be uncollectible amount to €44 thousand.

The amounts for each major group of acquired assets and assumed liabilities at the time of acquisition are shown below:

€ thsd.	Carrying value = fair value
Non-current assets	
Tangible assets	34
Current assets	
Trade receivables	1,341
Other assets	26
Cash and cash equivalents	1,554
	<u>2,921</u>
	2,955
Liabilities	
Current liabilities	
Provisions	372
Liabilities	1,079
	<u>1,451</u>
Acquired net assets	1,504
Acquisition costs	7,938
Goodwill	6,434

The resulting goodwill was allocated to the *Services* segment (cash-generating unit *Services – Finance & Insurance*).

The acquired company was included in the Consolidated Statement of Comprehensive Income (Consolidated Income Statement section) from the acquisition date until 30 September 2011 with revenue of €2,570 thousand and net income of €520 thousand.

On the assumption that the acquisition date for all business combinations during the reporting period was the beginning of this period, the revenue of the GFT Group in the reporting period 1 January 2011 to 30 September 2011 would have been €211.00 million and earnings (net income) €7.76 million.

Business combinations after the end of the reporting period

Business combination Consulting division of G2 Systems, LLC

On 7 October 2011 (acquisition date), GFT USA, Inc., New York, acquired the Consulting division of G2 Systems, LLC, New York, and thus gained control of the acquired company. The acquired Consulting division provides high-class IT consulting services in the field of investment banking.

The main reasons for the business combination were to strengthen GFT's position as an international IT service provider for the finance sector and to expand its portfolio with the addition of high-class specialist expertise in the field of investment banking. The factors contributing to the acquisition costs and to the measurement of goodwill were as follows:

- a) the excellent skills and consulting expertise of employees belonging to G2 Systems, LLC;
- b) the existing positioning of G2 Systems, LLC with customers in the field of investment banking and hedge funds;
- c) the expected synergies between GFT USA and G2 Systems, LLC in the joint development of existing accounts and new markets;
- d) intangible assets which are not classified for separate measurement.

The following figures are preliminary and will change as certain purchase price components have not yet been set or depend on future developments and other quantitative examinations, e.g. the identification of transferred intangible assets, which have not yet been conducted.

The fair value of the total transferred consideration valid on the date of purchase amounts to USD 2.0 million; it refers in full to the cash offered. In addition to this consideration as of the purchase date, there are agreements concerning considerations in return which depend on the future earnings of the acquired company; due to their uncertainty, no amount was recognized at the date of purchase. The range of these considerations in return not yet recognized is between USD 0 million and USD 5 million.

Further details required for business combinations are not provided here as the initial inclusion of the business combination in the consolidated accounts had not been fully completed at the time these interim financial statements were prepared.

Changes in equity

For the changes in equity capital between 1 January 2011 and 30 September 2011, we refer to the Consolidated Statement of Changes in Equity which is disclosed separately.

As of 30 September 2011, the Company's share capital of €26,325,946.00 consists of 26,325,946 non-par value individual share certificates (no change relative to 31 December 2010). These shares are bearer shares and all grant equal rights.

In May 2011, a dividend of €0.15 per share was distributed to shareholders, totalling €3,949 thousand, from the balance sheet profit of the parent company GFT AG (May 2010: dividend of €0.10 per share, totalling €2,633 thousand).

As of 30 September 2011, GFT AG did not hold any of its own shares, nor did it purchase or sell any of its own shares in the period 1 January 2011 to 30 September 2011.

The following changes in the Company's authorised and conditional capital were made between 1 January and 30 September 2011 relative to 31 December 2010.

Authorised capital

The Company's existing authorised capital, as defined in § 4 (5) of the Company's Articles, expired on 22 May 2011; the authorisation for this authorised capital was cancelled at the Annual General Meeting on 31 May 2011. New authorised capital was created as follows:

In accordance with the resolution passed by the Annual General Meeting of 31 May 2011, the Executive Board is authorised to increase the share capital on or before 30 May 2016, with the consent of the Supervisory Board, through the issuance of new bearer shares against contributions in cash or in kind up to a total of €10,000,000.00 on one or more occasions (Authorised Capital). The Executive Board is authorised to exclude shareholders' subscription rights with the consent of the Supervisory Board in the following cases:

- to waive subscription rights for fractional amounts;
- for capital increases against contributions in kind in order to grant shares for the purpose of acquiring companies or holdings in companies;

- in the event of a capital increase against cash contributions, provided that the issue price of the new shares is not significantly lower than the stock exchange price and provided that the proportionate amount of share capital attributable to the new shares for which subscription rights are excluded, does not exceed ten percent of share capital, neither at the time at which this authorisation becomes effective nor at the time at which it is exercised;
- in the event of a capital increase for the issue of employee shares, provided that the proportionate amount of share capital attributable to the new shares, for which subscription rights are excluded, does not exceed ten percent of share capital, neither at the time at which this authorisation becomes effective nor at the time at which it is exercised.

The Executive Board is authorised to establish additional details for the execution of a capital increase from authorised capital with the consent of the Supervisory Board.

As at 30 September 2011, there was therefore unutilised authorised capital in the amount of €10,000,000.00 (31 December 2010: €10,000,000.00).

Conditional capital

By resolution of the Annual General Meeting on 31 May 2011, Conditional Capital I/1999 amounting to €780,000.00 was cancelled. Conditional Capital II/2007 amounting to €7,500,000.00 continues to exist.

As at 30 September 2011, there was therefore total conditional capital of €7,500,000.00 (31 December 2010: €8,280,000.00).

Segment reporting

GFT has identified the three segments *Services*, *Resourcing*, and (until 14 May 2010) *Software* as reportable segments. The identification of these segments was mainly based on the fact that the products and services offered in these segments show differences, and that the GFT Group is organised, managed and controlled on the basis of these segments. Internal reporting to the Executive Board is based on the classification of Group activities in these segments. The *Software* segment was sold in May 2010; we refer to the explanations on discontinued operations.

The products and services with which the reportable segments generate their income can be characterised as follows: all activities in connection with IT solutions (services and projects) are aggregated in the *Services* segment. The *Resourcing* segment focuses on the placement of freelance IT specialists. The *Software* segment concerned the internal development of software products, their distribution, and associated services.

Internal controlling and reporting within the GFT Group, and thus also segment reporting, is based on IFRS accounting principles as applied in the Consolidated Financial Statements. The GFT Group measures the success of its segments by means of segment EBT (earnings before tax). Segment income and results also include transactions between the segments. Intersegment transactions take place at market prices on an arm's length principle.

As a general rule, the assets of the segments include all assets, except for those from income tax and assets attributed to the holding activity. The segment liabilities include all liabilities, except for those from income tax, financing, and liabilities in connection with the holding activity.

For detailed information about the business segments, please refer to the Appendix attached to the Notes to the Consolidated Financial Statements. It also includes disclosures concerning revenue from external clients for each group of comparable products and services.

The reconciliation of the segment figures to the corresponding figures in the Consolidated Financial Statements is as follows:

€ thsd.	01/01– 30/09/2011	01/01– 30/09/2010
Total segment revenue	212,226	193,642
Elimination of intersegment revenue	-4,557	-13,837
Occasionally occurring revenue	204	-
Group revenue	207,873	179,805
Total segment results (EBT)	10,052	9,065
Non-attributed expenses/income of Group HQ	-1,065	-403
Non-attributed income for elimination of interim results	76	-
Other	-12	-
Group result before taxes	9,051	8,662

€ thsd.	30/09/2011	30/09/2010
Total segment assets	114,629	101,634
Non-attributed assets of Group HQ	99	80
Securities	7,441	14,606
Assets from income taxes	5,623	6,787
	356	-
Group assets	128,148	123,107
Total segment liabilities	50,832	50,027
Non-attributed liabilities of Group HQ	381	337
Liabilities from income taxes	2,802	2,987
Other	124	-
Group liabilities	54,139	53,351

The reconciliation discloses items which per definition are not components of the segments. Non-attributed items of Group HQ, e.g. from centrally managed issues, and revenue only occasionally generated by the company's activities are also contained. Business transactions between the segments are also eliminated in the reconciliation.

The table below shows information according to geographic regions for the GFT Group:

€ million	Revenue from sales to external clients ¹		Non-current intangible and tangible assets	
	01/01– 30/09/2011	01/01– 30/09/2010	30/09/2011	30/09/2010
Germany	113.75	100.19	34.74	21.66
UK	27.99	27.95	0.11	0.15
France	24.91	14.89	0.94	0.83
Spain	18.88	17.32	0.12	0.05
USA	4.97	4.94	0.00	0.01
Switzerland	9.10	4.77	0.16	0.09
Other countries	8.27	9.75	0.26	0.34
Total ²	207.87	179.81	36.33	23.13

¹ Determined by client location

² Total company

Revenue from clients who account for more than 10% each of Group revenue is shown below:

€ million	Revenue		Segments in which this revenue is generated	
	01/01– 30/09/2011	01/01– 30/09/2010	01/01– 30/09/2011	01/01– 30/09/2010
Client 1	92.74	83.30	Services, Resourcing	Services, Resourcing, Software

SEGMENT REPORT

GFT Technologies Aktiengesellschaft, Stuttgart

€ thsd.	Services		Software	
	30/09/2011	30/09/2010	30/09/2011	30/09/2010
External sales	86,262	86,136	-	1,101
Inter-segment sales	18	9	-	32
Total revenues	86,280	86,145	0	1,133
Depreciation	-761	-743	0	-17
Non-cash income/expenditure other than depreciation	-33	16	0	-254
Interest income	101	123	0	0
Interest expenses	-31	-94	0	0
Share of net profits of associated companies reported according to the equity method	1	-12	0	0
Segment result (EBT)	7,396	7,707	0	-176
Segment assets	67,795	63,419	0	0
Investment in associates reported according to the equity method	45	38	0	0
Investment in non-current intangible and tangible assets	7,183	946	0	10
Segment liabilities	20,611	19,372	0	0

<i>Resourcing</i>		<i>Total</i>		<i>Eliminations</i>		<i>Consolidated</i>	
30/09/2011	30/09/2010	30/09/2011	30/09/2010	30/09/2011	30/09/2010	30/09/2011	30/09/2010
121,407	92,568	207,669	179,805	204		207,873	179,805
4,539	13,796	4,557	13,837	-4,557	-13,837	0	0
125,946	106,364	212,226	193,642	-4,353	-13,837	207,873	179,805
-176	-95	-937	-855	-31	-27	-968	-882
0	0	-33	-238	-218	41	-251	-197
6	3	107	126	420	391	527	517
-55	-62	-86	-156	63	145	-23	-11
0	0	1	-12	0	0	1	-12
2,656	1,534	10,052	9,065	-1,001	-403	9,051	8,662
46,834	38,215	114,629	101,634	13,519	21,473	128,148	123,107
0	0	45	38	0	0	45	38
271	84	7,454	1,040	33	33	7,487	1,073
30,221	30,655	50,832	50,027	3,307	3,324	54,139	53,351

Changes to contingent liabilities

As of 30 September 2011, there were no significant changes to contingencies and other financial commitments compared to the Consolidated Financial Statements as at 31 December 2010.

Investments

During the period 1 January to 30 September 2011, the GFT Group invested €7,487 thousand in intangible assets (1 January to 30 September 2010: €155 thousand), of which goodwill accounted for €6,434 thousand (1 January to 30 September 2010: €0 thousand), and €743 thousand in tangible assets (1 January to 30 September 2010: €918 thousand).

Related party disclosures

Compared to the disclosures made in the Notes to the Consolidated Financial Statements as at 31 December 2010, there were no changes in the composition of related parties nor in relations with such parties apart from the following. Dr. Paul Lerbinger and Dr. Ing. Andreas Bereczky were elected as new members of the Supervisory Board. Mr. Franz Niedermaier retired from the Supervisory Board.

Stuttgart, 7 November 2011

GFT Technologies Aktiengesellschaft

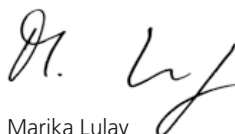
The Executive Board



Ulrich Dietz
Executive Board (Chairman)



Jean-François Bodin
Executive Board



Marika Lulay
Executive Board



Dr. Jochen Ruetz
Executive Board

FINANCIAL CALENDAR

German Equity Forum Frankfurt
22 November 2011

FURTHER INFORMATION

Write to us or call us if you have any questions. Our Investor Relations team will be happy to answer them for you. Or visit our website at www.gft.com/ir. There you can find further information on our company and the GFT share.

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