

## GFT continues its positive trend and raises revenue by 15 percent in Q3 2016

- Consolidated revenue up 15 percent to EUR 106.25 million in the third quarter
- Ongoing digitalisation in the financial services industry remains key growth driver
- Earnings (EBITDA) in the third quarter raised by 8 percent to EUR 12.46 million
- Full-year 2016 guidance confirmed

Stuttgart, 10 November 2016 – GFT Technologies SE today announced its results for the third quarter and the first nine months of 2016. The positive business trend of the first six months was continued in the third quarter. Strong demand from retail banks for solutions to digitalise their business processes was once again a major growth driver. Further growth momentum resulted from projects to implement compliance requirements. The guidance issued in the interim report as of 30 June 2016 for the financial year 2016 was confirmed.

### Revenue and earnings trend in the third quarter of 2016

Consolidated revenue rose year-on-year by 15 percent to EUR 106.25 million in the third quarter of 2016 (Q3/2015: EUR 92.72 million). Adjusted for the revenue contribution of the companies acquired in July 2015 (Adesis Netlife S.L.) and April 2016 (Habber Tec Brazil), GFT's organic growth in the third quarter amounted to 12 percent.

The *Continental Europe* division generated dynamic revenue growth of 24 percent to EUR 48.91 million in the third quarter (Q3/2015: EUR 39.41 million) and accounted for 46 percent (Q3/2015: 43 percent) of consolidated revenue. Once again, this growth was mainly driven by strong demand from retail banking clients for solutions to digitalise their business processes.

Despite the weak market trend in the investment banking sector, the *Americas & UK* division (which mainly comprises investment banking clients) achieved revenue growth of 4 percent to EUR 55.40 million in the third quarter (Q3/2015: EUR 53.31 million). This segment contributed 52 percent to consolidated revenue (Q3/2015: 57 percent).

In the third quarter of 2016, earnings before interest, taxes, depreciation and amortisation (EBITDA) rose by 8 percent to EUR 12.46 million (Q3/2015: EUR 11.50 million). Pre-tax earnings (EBT) improved by 7 percent to EUR 9.11 million (Q3/2015: EUR 8.51 million). Due to a higher tax rate, earnings per share fell to EUR 0.23 (Q3/2015: EUR 0.25).

### Revenue and earnings trend in the first nine months of 2016

In the first nine months of 2016, GFT raised revenue by 16 percent to EUR 314.28 million (9M/2015: EUR 271.48 million). Adjusted for the revenue contributions of the acquired companies Adesis and Habber Tec Brazil, GFT achieved organic growth of 12 percent in the first nine months.

Revenue in the *Continental Europe* division increased by 27 percent to EUR 145.62 million in the first nine months (9M/2015: EUR 114.37 million) and accounted for 46 percent of consolidated revenue (9M/2015: 42 percent).

In the *Americas & UK* division, revenue in the first nine months was up 6 percent to EUR 166.24 million (9M/2015: EUR 157.11 million). As a result, this division contributed 53 percent to consolidated revenue in the first nine months (9M/2015: 58 percent).

EBITDA in the first nine months rose by 9 percent to EUR 34.00 million (9M/2015: EUR 31.30 million). This figure includes negative exchange rate effects of EUR -2.42 million from the first six months due to the devaluation of the British pound in the period after the Brexit referendum. These effects were only marginal in the third quarter. The pre-tax result for the first nine months was up 4 percent to EUR 23.71 million (9M/2015: EUR 22.75 million). Earnings per share rose to EUR 0.69 in the first nine months (9M/2015: EUR 0.59).

### **Headcount grows to over 4,700**

As of 30 September 2016, GFT had a total of 4,749 full-time employees, corresponding to year-on-year growth of 22 percent (30 September 2015: 3,897). The increase resulted from the acquisition of Habber Tec Brazil with 102 employees, as well as from the hiring of new staff – above all at the company's development centres in Spain, Brazil, Poland and Costa Rica.

### **Outlook 2016**

The guidance issued with the half-year results 2016 has been confirmed. GFT expects revenue of EUR 420.00 million for the year as a whole (2015: EUR 373.51 million), with an EBITDA result of EUR 46.50 million (2015: EUR 44.56 million) and EBT of EUR 33.00 million (2015: EUR 32.52).

“GFT continued to grow as expected in the third quarter,” states Ulrich Dietz, CEO of GFT. “The encouraging development of the *Continental Europe* division demonstrates our excellent positioning with regard to the digitalisation of business processes – a key future topic. Investments aimed at implementing regulatory reforms are expected to remain strong.”

### **Additional key data**

As of 30 September 2016, cash, cash equivalents and securities amounted to EUR 44.08 million and were thus EUR 2.90 million below the year-end figure for 2015 (31 December 2015: EUR 46.98 million). Equity of EUR 126.79 million as of 30 September 2016 was EUR 2.34 million above the balance sheet figure on 31 December 2015 (EUR 124.45 million). Total assets as of 30 September 2016 were EUR 20.85 million up at EUR 347.66 million (31 December 2015: EUR 326.81 million). As of 30 September 2016, the equity ratio stood at 36 percent and was thus 2 percentage points below the year-end figure (31 December 2015: 38 percent).

Detailed financial figures can be found in the Investor Relations section of the GFT website at:

<http://www.gft.com/ir>

**Key figures (IFRS, unaudited)**

(deviations possible due to rounding differences)

In EUR million	Q3/2016	Q3/2015	Δ %
Revenue	106.25	92.72	15%
EBITDA	12.46	11.50	8%
EBIT	9.54	8.87	8%
Earnings before taxes (EBT)	9.11	8.51	7%
Net income for the period	5.88	6.59	-11%
Earnings/share in EUR	0.23	0.25	-11%
Equity ratio in percent	36 (30.09.2016)	38 (31.12.2015)	-
Employees (full-time) as of 30.09.	4,749	3,897	22%

In EUR million	9M/2016	9M/2015	Δ %
Revenue	314.28	271.48	16%
EBITDA	34.00	31.30	9%
EBIT	25.40	23.85	7%
Earnings before taxes (EBT)	23.71	22.75	4%
Net income for the period	18.08	15.44	17%
Earnings/share in EUR	0.69	0.59	17%
Equity ratio in percent	36 (30.09.2016)	38 (31.12.2015)	-
Employees (full-time) as of 30.09.	4,749	3,897	22%

**About GFT:**

GFT Technologies SE (GFT) is a business change and technology consultancy trusted by the world's leading financial services institutions to solve their most critical challenges. Specifically defining answers to the current constant of regulatory change – whilst innovating to meet the demands of the digital revolution. GFT brings together advisory, creative and technology capabilities with innovation culture and specialist knowledge of the finance sector, to transform the clients' businesses.

Utilising the CODE\_n innovation platform, GFT is able to provide international start-ups, technology pioneers and established companies access to a global network, which enables them to tap into the disruptive trends in financial services markets and harness them for their out of the box thinking.

Headquartered in Germany, GFT achieved consolidated revenue of around EUR 374 million in 2015. The company is represented in twelve countries with a global team spanning more than 4,700 employees. The GFT share is listed on the Frankfurt Stock Exchange in the TecDAX (ISIN: DE0005800601).

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