

PRESS RELEASE

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GFT achieves double-digit growth in volatile environment

Digital transformation group anticipates further growth in second half of the year

- Profitable **revenue growth of 10 percent** in the first half of 2023
- **Above-average growth** across all sectors in the **USA** and **Mexico**
- Strong demand for **long-term** and **complex digitalization projects**
- Dynamic development of **cloud** and **artificial intelligence**
- **Guidance for 2023 adjusted: revenue of EUR 810-820 million, adjusted EBIT of EUR 74-76 million and EBT of EUR 68-70 million** expected
- **GFT revenue in the U.S.** grew by **35 percent**

Stuttgart, Germany and New York, New York (August 14, 2023) – **GFT Technologies SE (GFT) continues to grow.** With **revenue growth of 10 percent**, the digital transformation pioneer maintained its upward trajectory in the first six months of 2023. Compared to the first half of 2022, **adjusted earnings before interest and taxes (adj. EBIT) rose** by 4 percent or **by 11 percent adjusted for currency effects.**

Demand expected to grow in second half of the year

“Despite a volatile environment, we continue to outpace market growth,” says Marika Lulay, CEO of GFT. “Thanks to our global footprint, we were able to mitigate very effectively the slowing investment in our largest market, Brazil. Our medium-term growth drivers, including our project pipeline, are fully intact. There is a noticeable uptick in client demand in the fields of cloud and artificial intelligence in particular. We are therefore confident that we can accelerate our growth in the second half of the year.”

The GFT Group generated **revenue of EUR 391.58 million** in the first half of 2023. The company thus exceeded the prior-year figure of EUR 357.25 million by **10 percent**. In the **Insurance** sector, revenue **rose by 1 percent**, in the **Industry & Others** sector **by 13 percent**. In the **Banking** sector, revenue was **up 11 percent** on the previous year.

Disproportionately strong growth in USA and Mexico

There was further **disproportionately** strong growth in the world’s largest software market, the **USA**, with an increase in revenue of **35 percent**. In **Mexico**, GFT succeeded in raising revenue by as much as **63 percent**. This growth was driven above all by **complex modernization and transformation projects in the finance sector**. In Germany, business was boosted by the successful **integration of targens GmbH**. Compared to the same period last year, revenue in **Germany was up 43 percent**.

As of 30 June 2023, the Group had a total of 9,008 full-time employees (FTE). This corresponds to an **increase of 2 percent** compared to 8,842 employees at year-end 2022.

GFT expects solid revenue and earnings growth for 2023

GFT still expects to **continue its growth** and to raise both revenue and earnings in the financial year 2023. Recognized by the market for its **extensive sector and technological expertise**, the Group has an **attractive portfolio** of digitalization and cloud solutions. As a result, it **continues to be excellently positioned** to benefit from growth trends.

Due to the volatile macroeconomic environment, GFT has downgraded its guidance slightly. Group Revenue is expected to reach around **EUR 810-820 million** (2022: EUR 730 million; previous guidance: EUR 850 million). The Group anticipates **growth in adjusted EBIT** to around **EUR 74-76 million** (2022: EUR 67 million; previous guidance: EUR 80 million). GFT's **earnings before taxes (EBT)** are expected to reach **EUR 68-70 million** (2022: EUR 66 million; previous guidance: EUR 72 million). This guidance takes into account the acquisition of targens GmbH pro rata temporis as of 1 April 2023.

"Our strong growth in the U.S. and Mexico is a direct reflection of the increased digital maturity we're seeing in these regions," said Marco Santos, CEO Americas at GFT. "In the last year alone, we've seen a drastic shift in the digital ambitions of banks and financial institutions as they have embraced next generation technologies and new regulations. These initiatives are enabling banks to introduce digital products that inspire customer trust and win back market share from digital-first competitors. We're also in a unique position, considering our role in building the cloud architecture companies need to introduce new AI and data-driven use cases and processes that will propel them into the future."

This press release is also available for download via the [GFT newsroom](#).

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About GFT – Shaping the future of digital business.

GFT is a digital transformation pioneer that develops sustainable solutions based on new technologies including artificial intelligence and blockchain/DLT. Services range from core system modernisation and migration to open cloud platforms, as well as the introduction of carbon conscious coding.

GFT's strengths include deep technical expertise, strong partnerships and comprehensive market insights. The company uses them to design digital transformation for clients from the finance and insurance sectors as well as in the manufacturing industry. Through the intelligent use of technology it adds value and increases productivity for clients. GFT experts create and implement scalable software applications that make access to innovative business models safe and easy.

With locations in more than 15 markets around the globe, GFT ensures proximity to its clients. The company draws on over 35 years of experience and a team consisting of over 10,000 determined experts. GFT provides them with career opportunities in the most innovative areas of software engineering. The GFT Technologies SE share is listed in the SDAX index of the German Stock Exchange (ticker: GFT-XE).

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