

GFT gets off to a successful start in 2016 with revenue growth of 10 percent in the first quarter

- Consolidated revenue up 10 percent to EUR 97.39 million in the first quarter of 2016
- *Continental Europe* division raises revenue by 24 percent to EUR 46.05 million
- Earnings (EBITDA) improved by 6 percent to EUR 10.15 million
- Guidance for 2016 upheld

Stuttgart, 12 May 2016 – GFT Technologies SE (GFT) made encouraging progress in the first quarter of 2016, posting solid growth in both revenue and earnings. Whereas the business division *Continental Europe* reported strong growth, momentum in the business division *Americas & UK* slowed somewhat. Once again, growth was driven by demand for solutions to digitise business processes and implement compliance requirements in the finance sector. Based on this positive performance in the seasonally weakest first quarter, GFT has confirmed its guidance for the full-year 2016.

Solid growth in revenue and earnings

Consolidated revenue rose year-on-year by 10 percent to EUR 97.39 million in the first quarter of 2016 (Q1/2015: EUR 88.52 million). Adjusted for the revenue contribution of the Spanish company Adesis Netlife S.L. (Adesis), acquired in July 2015, GFT's organic growth amounted to 6 percent. Revenue generated with clients in the UK amounted to EUR 34.97 million in the first quarter of 2016 and was thus 13 percent down on the same period last year (Q1/2015: EUR 40.21 million). This was due to shifts in the budgets of certain clients from the UK to the USA, as well as to delays in project decisions in the field of investment banking. There was a corresponding increase in revenue generated in the USA by 40 percent to EUR 12.57 million (Q1/2015: EUR 9.01 million). In Spain, GFT achieved significant revenue growth of 85 percent to EUR 17.37 million (Q1/2015: EUR 9.38 million). Demand from retail banks for solutions to digitise their business processes remained strong in the first three months.

In the first quarter of 2016, earnings before interest, taxes, depreciation and amortisation (EBITDA) improved by 6 percent to EUR 10.15 million (Q1/2015: EUR 9.61 million). Pre-tax earnings (EBT) of EUR 7.04 million were slightly above the prior-year figure (Q1/2015: EUR 6.89 million). Earnings per share rose to EUR 0.21 (Q1/2015: EUR 0.18).

Change in segment reporting as of 1 January 2016

The segment reporting of GFT was changed with effect from 1 January 2016. As a result of the sale of the staffing services division emagine, the structure of those corporate components used to steer the segments has changed. The former GFT business division was divided into the segments *Americas & UK* and *Continental Europe*. The prior-year figures were adjusted accordingly. The *Americas & UK* segment comprises companies in the UK, USA, Canada, Brazil, Costa Rica, Mexico and Peru. The *Continental Europe* segment includes companies in Germany, Italy, Poland, Switzerland and Spain.

Revenue and earnings trend of the business divisions

In the first quarter of 2016, the business division *Americas & UK* posted **revenue** of EUR 51.18 million, which was thus virtually unchanged from the previous year (Q1/2015: EUR 51.46 million). The business division *Continental Europe* achieved revenue growth of 24 percent to EUR 46.05 million (Q1/2015: EUR 37.05 million).

The **pre-tax earnings contribution (EBT)** of the *Americas & UK* segment fell from EUR 3.24 million in the first quarter of 2015 to EUR 1.08 million in the reporting period. This decline resulted mainly from increased staffing at the UK and US business units for forthcoming projects not yet in the productive implementation phase. The segment *Continental Europe* reported pre-tax earnings of EUR 4.65 million (Q1/2015: EUR 3.92 million), corresponding to growth of 19 percent. Increased group cost allocations for the operating segments *Americas & UK* as well as *Continental Europe* had a positive impact on earnings of the *Others* category, which improved to EUR 1.31 million (Q1/2015: EUR -0.27 million).

Headcount grows to almost 4,200

As of 31 March 2016, GFT had a total of 4,159 full-time employees – corresponding to a year-on-year increase of 28 percent (31 March 2015: 3,257). The increase in headcount results from the acquisition of Adesis with 300 employees in Spain and Mexico, 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

"With revenue growth of 10 percent, our financial year 2016 got off to the expected good start and we continue to easily outpace the market as a whole. Gartner's sector experts forecast that banks will increase their spending on IT services by 4.8 percent in 2016. We expect IT budgets for the implementation of compliance requirements in the finance sector to remain high with further growth in investments to digitise business processes. Against this backdrop, we are upholding our guidance for 2016," says Ulrich Dietz, CEO of GFT.

GFT anticipates revenue of EUR 410.00 million for the full-year 2016. The company plans to reach EBITDA of EUR 48.50 million and EBT of EUR 35.00 million for the year as a whole.

Additional key data

As of 31 March 2016, cash, cash equivalents and securities amounted to EUR 42.88 million and were thus EUR 4.10 million below the year-end figure for 2015 (31 December 2015: EUR 46.98 million). Equity as of 31 March 2016 stood at EUR 124.77 million, corresponding to an increase of EUR 0.32 million since the end of the reporting period 2015 (31 December 2015: EUR 124.45 million). Total assets as of 31 March 2016 were down EUR 0.75 million at EUR 326.06 million (31 December 2015: EUR 326.81 million). As of 31 March 2016, the equity ratio was unchanged at 38 percent (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 (unaudited) acc. to IFRS

(deviations possible due to rounding differences)

In EUR million	01/01/-31/03/2016	01/01/-31/03/2015
Revenue	97.39	88.52
EBITDA	10.15	9.61
EBIT	7.40	7.25
Earnings before taxes (EBT)	7.04	6.89
Net income for the period	5.57	4.74
Earnings/share in EUR	0.21	0.18
Equity ratio in percent	38 (31/03/2016)	38 (31/12/2015)
Employees (full-time) as of 31 March	4,159	3,257

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 4,000 employees. The GFT share is listed on the Frankfurt Stock Exchange in the TecDAX (ISIN: DE0005800601).

Contact:

Jutta Stolp, CIRO
Investor Relations Manager
GFT Technologies SE
Schelmenwasenstraße 34
70567 Stuttgart
Germany
T +49 711 62042-591
F +49 711 62042-301
jutta.stolp@gft.com
www.gft.com

Andrea Wlcek
Head of Group Communications
GFT Technologies SE
Schelmenwasenstraße 34
70567 Stuttgart
Germany
T +49 711 62042-440
F +49 711 62042-301
andrea.wlcek@gft.com
www.gft.com