

Interim Report
as of
31 March 2006

Q1/2006



GFT Group Summary

Financial figures according to IFRS in €(k)	01/01–31/03/2006	01/01–31/03/2005
Revenues	37,940	28,255
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	1,087	274
Total depreciation	267	327
Earnings before interest and taxes (EBIT)	821	-53
Earnings before taxes (EBT)	915	161
Net income	343	113
IAS 33 earnings per share, in €	0.01	0.00
Fixed assets	23,256	18,331
Liquid assets and securities	14,453	20,803
Remaining current assets	41,307	26,848
Equity ratio	53 %	60 %
Number of permanent employees absolute as of 31 March	1,005	1,019

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Course of Business

GFT was off to a solid start in the new business year, with a significant increase in results over the same quarter last year. In the traditionally weak first quarter, the result before taxes increased from €(k) 161 for the first quarter last year, to €(k) 915 as of 31 March 2006. With this performance, even our own estimates were surpassed.

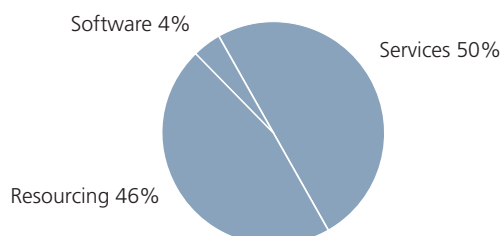
This satisfactory development of results can be essentially credited to the *Services* and *Resourcing* divisions. In the *Services* division, our Spanish subsidiaries achieved the greatest contribution to results based upon a positive level of orders from domestic and European banks, as well as on the successful implementation of the major project in Brazil.

Despite integration-related expenditures due to the acquisition of the Resourcing Solutions division of the Parity Group in Germany and France (hereinafter called Parity companies), the *Resourcing* segment made a much stronger contribution to results than expected, with €(k) 246. This indicates that the purchase made as of 31 January 2006, is a very good complement to our activities in the *Resourcing* division, and offers considerable growth potential.

Revenue for the GFT Group increased in comparison to the same time period last year, from € 28.3m. to € 37.9m. as of 31 March 2006, generally matching our expectations. Revenue for the Parity companies for the months of February and March is included herein, at a value of € 8.2m. Revenue increased in comparison to the same time period last year by approximately 34%. In addition to the Parity companies, the *Services* division also contributed fundamentally to this increase in revenue.

Following this successful first quarter of 2006, we confirm our present forecasts, and further estimate revenue in the amount of € 170m. with a margin before taxes of more than 3%, for the entire year 2006.

Distribution of revenues by segments



The segment report for the first three months of the current business year shows, for the first time, the Parity companies' operative business that is included in the consolidated financial statement. This has led to clear shifts in the distribution of revenue by segments, branches, and countries, in comparison to last year.

The distribution of revenue by individual segments as of 31 March 2006, is as follows:

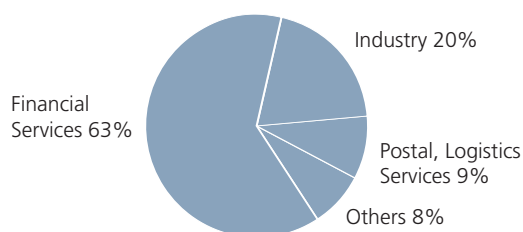
The share of revenue for the *Resourcing* segment, which we titled Business Process Outsourcing up until the third quarter of 2005, amounted to € 17.5m. (previous year: € 9.0m.), or approximately 46% (previous year: 32%). This corresponds to an increase of € 8.5m. in comparison to 31 March 2005. The Parity companies contributed essentially to this revenue growth with € 8.2m. for the months of February and March. Revenues for the Parity companies will be fully reported in

the *Resourcing* segment. In this manner, GFT was able to achieve a leading position in the area of procurement and management of external IT-personnel resources, which is rapidly being expanded.

The *Services* division produced revenue totalling € 18.8m. (previous year: € 17.5m.), corresponding to a share of revenue of approximately 50%. Compared to the same time period last year, the share of revenue for this division declined by 12%. The absolute increase of € 1.3m. is a reflection, however, of an increasing level of orders coming in to the *Services* division.

The share of revenue in the Software segment amounted to € 1.5m. (previous year: € 1.7m.) or 4%, declining by 2% in comparison to the first quarter of 2005. Based on the continuing investments into product development in this division, we are forecasting increasing revenues in the second half of the year.

Distribution of revenues by industries



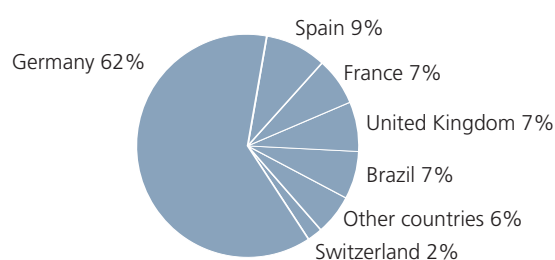
The acquisition of the Parity companies was also of significance to the distribution of revenues by industries. Basically, due to their first-time consolidation, the dependence of customers from the financial services sector has sunk, while the share of revenue from industrial customers has increased. Due to the relatively similar revenue shares posted by postal and logistics services suppliers to the total revenue of the old GFT Group and of the Parity companies, their share of revenue remains almost constant.

In the first three months of the current business year GFT achieved its highest revenues, once again, with clients from the financial services industry. The share amounted to 63%, declining by 13% in comparison to the same time period last year.

In contrast, the revenue share from industrial clients increased from 8% to 20% compared to the first three months of the previous year. The revenue share from the acquired Parity companies in Germany and France also showed a clear influence here.

The postal and logistics sector posted a share of 9% for the first three months of 2006, increasing by one percentage point in comparison to the same time period last year. The share of other revenue, which also includes the Public Sector and Consumer Product industries posted eight percentage points, remaining constant in comparison to the first quarter of 2005.

Distribution of revenues by countries



At present, the Spanish and French sales markets are the most important to the GFT Group, following the German sales market. Brazil has newly joined the group of most-important sales markets, whereas Brazilian revenues are slightly outperforming those of UK. Revenues for the acquired Parity companies are divided at an approximate ratio of 70% to 30%, between Germany and France.

With € 23.5m. (previous year: € 18.4m.) the GFT Group achieved approximately 62% of the total revenue in Germany as of 31 March 2006. The share has declined by 3% in comparison to the same timeframe last year. Accordingly, the revenue share that the GFT Group achieved with clients outside of Germany totalled approximately € 14.5m. (previous year: € 10.0m.) or 38%.

The revenue share of € 3.3m. (previous year: € 3.1m.) or 9%, attained with Spanish clients, sank by two percentage points in comparison to the first three months of 2005. For the first time, we have reported revenues from French clients, which totalled € 2.9m. compared to €(k) 47 for the same quarter last year, separately. The revenue share increased markedly with the acquisition of the Parity compa-

nies, totalling 7%. The revenue share attained with Brazilian clients is also being reported separately for the first time. This share amounted to € 2.5m., or 7%. Compared to the same time period last year, revenue shares with clients from UK sank by one percentage point, amounting to € 2.5m. or 7% (previous year: € 2.3m.). The revenue shares with clients from Switzerland amounted to € 0.8m. (previous year: € 1.0m.) or 2%, and also declined by two percentage points. Clients from other countries, including Italy, Austria, Hungary and the USA, contributed € 2.4m. to total revenues (previous year: € 3.4m.).

Demand and capacity utilisation

The demand and the capacity utilisation of our productive employees underperformed the annual average during the first quarter, as customary, and were influenced by seasonal factors. At the start of the year our major clients draw up, sort, and prioritise their budgets for the entire year. This leads to delays in placing assignments toward the start of the year, especially, but increase in the second quarter according to our experience. The capacities that we have available at the time are used increasingly for sales-promoting activities. Overall, the capacity utilisation in the *Services* segment outperformed the first quarter of last year by € 1.3m. in segment revenues with a similar number of employees.

In regard to demand, we have observed that the average size of tendered projects has increased in comparison to last year. At the same time, we have ascertained a shifting from fixed-price projects to an increased demand for long-running maintenance projects for existing applications or Application Management in the *Services* segment. We value the reduced risks that are associated with these orders as being positive for further business development.

Results

Results for the first three months outperformed our expectations. As of 31 March 2006, results before taxes totalled €(k) 915. The total for the same time period last year was of €(k) 161. The result for the same quarter last year was positively influenced by the extraordinary income from the sale of the "Hauptversammlungsservice" division in the amount of €(k) 380, while no comparable income existed during the first quarter of 2006. In the first three months of the current business year, the net results stemming from the proceeds of the sale of financial assets, and the current-year assessment of our marketable securities, had a positive effect of €(k) 384; the comparable value for the same quarter last year totalled only €(k) -120. Operative results for the first quarter were positively influenced by our activities in Spain and Brazil, and by the Parity companies in Germany and France. In contrast, our companies in Austria and Hungary and our *Software* segment negatively affected results.

In the first quarter of 2006, earnings before interest and taxes (EBIT) totalled €(k) 821, compared to €(k) -53 for the same quarter last year.

As of 31 March 2006, earnings before interest, taxes and depreciation of tangible and intangible fixed assets (EBITDA) increased to €(k) 1,087, compared to €(k) 274 for the first three months of 2005.

After deduction of expenses, the GFT Group registered a quarterly surplus of €(k) 343 as of 31 March 2006, compared to €(k) 113 for the same time period last year.

Pursuant to IAS 33, earnings per share amounted to € 0.01. This data refers to an average of 26,325,946 presently-circulating shares. Interim dividend is not paid.

Development of costs and prices

As of 31 March 2006, operative costs for the GFT Group amounted to € 38.1m., compared to € 29.5m. for the same time period in the previous year. While revenue increased by 34% compared to the same time period last year, operating costs increased by only 29%. The largest share of the total cost increase of € 8.6m., which amounts to € 7.9m., is to be attributed to the Parity companies.

The costs of materials, which are primarily composed of expenses for services rendered by outside personnel, totalled € 17.9m. for the first three months of the current business year, compared to € 10.7m. for the same time period last year, thus increasing by € 7.2m. Costs of materials for the Parity companies totalled € 6.9m.

Personnel expenses totalled € 15.4m. as of 31 March 2006, increasing over the same time period last year by € 1.2m. (31 March 2005: € 14.2m.). Personnel expenses for the Parity companies totalled € 0.7m. for this reporting period. The increase in personnel expenses despite a lower number of employees is the result, as in previous quarters, of increasing skill requirements from our present workforce, and of increasing average personnel costs in our near-shore production centres.

The depreciation of tangible and intangible fixed assets amounted to € 0.3m. during this first quarter, matching the level of the same quarter last year.

Other operating expenses totalled € 4.5m. during the first quarter, outperforming the previous year's value by € 0.3m. This increase can be basically attributed to the Parity companies. In this cost item, in particular, we are committing to the implementation of synergy effects in the future as part of the integration of the Parity

companies, through the merging of rented floor spaces and the joint utilisation of central resources.

Liquidity

The balance of disposable funds, defined as liquid assets and marketable securities minus net liabilities against banks, amounted to € 14.5m. as of 31 March 2006, compared to € 20.8m. as of 31 March 2005 and to € 28.6m. as of 31 December 2005. On the one hand, net funds decreased during the quarter under review. This decrease was seasonally-dependent, as in previous years, due to the fact that GFT clients regularly make heavy payments toward the end of the year. It was possible, however, to reduce the cash drain from operating activities in comparison to last year. While this drain registered at € -11.1m. during the first quarter of 2005, it still amounted to € -7.6m. in the first quarter of 2006. On the other hand, the purchase of the Parity companies had an effect on liquidity: The cash purchasing price was of € 6.8m., net of liquid assets and other acquisition costs such as due diligence, legal and advisory costs totalled € 6.0m. Finally, loans in the amount of € 0.4m. net were repaid in the quarter under review; during the same quarter last year, loans totalling € 1.4m. were taken out.

Investments

Investments in the GFT Group amounted to approximately €(k) 264 during the first three months of the current business year, compared to €(k) 193 for the comparable time period last year. Investments in long-term intangible fixed assets are estimated at €(k) 97, while investments in tangible fixed assets are estimated at €(k) 167. With long-term intangible assets, development costs of €(k) 86 for self-produced software were capitalised for the first time and accounted for as investments. These development costs came from our Indian subsidiary, for the product family of GFT Solutions GmbH. In connection with IAS 65ff, manufacturing expenditures were capitalised pursuant to IAS 38, and will be amortised over three years.

Employees

As of 31 March 2006, the GFT Group employed a total of 1,005 employees, including part-time staff. The number of employees grew by 24 in comparison to 31 December 2005, while it sank by 14 in comparison to the same quarter last year. The acquisition of the Parity companies was a decisive factor in this respect.

During the first three months of the current business year, an average of 999 workers was employed, compared to 1,028 in the same quarter last year.

The share of workers employed abroad was of 71% during the first quarter of 2006, corresponding to 710 employees. In contrast, 295 employees or 29% of our workforce was employed in Germany. As of 31 March 2005, 302 employees or 30% of our work force was employed in Germany.

Research and development

Research and development expenses for the GFT Group, composed predominantly of personnel costs, totalled approximately € 1.3m. in the period under review. During the same time period last year, these expenses amounted to € 1.5m.

During the first quarter of 2006, the focal point of our investments in research and development was CMMI (Capability Maturity Model Integration), an internationally-known process model for the development of software and systems. After the production units in Germany, UK and Spain fulfil the demanding CMMI Level 2, CMMI will be continually promoted in the remaining production units. Furthermore, we are preparing for the completion of CMMI Level 3 in Germany, Spain and UK at the end of next year.

During the period under review, however, investments were also made in the further development of internal applications such as an e-learning platform.

Important events during the first quarter of 2006

GFT consistently carried forward with the expansion of its core competences in the first quarter of 2006. As of 31 January 2006, GFT acquired Parity Beteiligungsgesellschaft GmbH, together with its subsidiaries Parity Eurosoft GmbH and Parity Selection GmbH, as well as Parity Eurosoft SARL in France, which is represented in 6 locations in Germany and France. During the 2005 financial year, the acquired companies achieved revenues of € 43m. and employed 40 people, 30 of them in Germany and 10 in France. Parity has a wealth of experience in the area of management of IT service providers, and has a solid client base including well-known clients in the post & logistics, banking & insurance, and IT services branches.

One other important event during the first quarter of 2006 was the change in the shareholder structure. In February 2006, Deutsche Bank decreased its participation in GFT to under 5%. In the course of the restructuring, KST Beteiligungs AG (KST) acquired shares from Deutsche Bank and increased its holding to 7.06%. Further shares were bought by international institutional investors.

The first quarter of 2006 also saw a change in the composition of the Supervisory Board. Dr. Markus Kerber resigned from his office as Deputy Chairman of the Supervisory Board effective 31 December 2005. At the beginning of 2006, Dr. Markus Kerber took on a new professional position in the Federal Ministry of the Interior in Berlin and has therefore, in view of his public duties, stepped down from the Supervisory Board of GFT Technologies AG. Until a successor can be elected at the forthcoming Annual General Meeting, the Villingen-Schwenningen District Court has appointed Dr. Peter Opitz, a

lawyer, to the Supervisory Board upon request of the Executive Board.

Outlook for the current business year

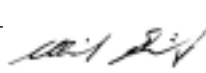
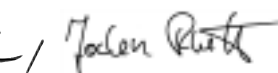
Our very successful first quarter has confirmed, once again, that we have laid a firm foundation for further growth with our strategy of concentrating in the *Services*, *Software* and *Resourcing* segments. We estimate that we will be able to utilise the friendly economic environment and continue with our dynamic development during the 2006 financial year.

Thus, we confirm our forecasts for the current business year, stated in the Management Report of our 2005 Annual Report. We are expecting organic growth of 10% in the *Services* segment and of 20% each in the *Software* and *Resourcing* segments. For the entire year 2006, we are estimating revenues for the GFT Group of approximately € 170m., and a margin of at least 3% before taxes.

The Executive Board would like to thank all of its employees for their firm commitment, and all clients, investors, and business partners, for their trust and their loyalty.

St. Georgen, 5 May 2006

The Executive Board

 Ulrich Dietz  Marika Lulay  Dr. Jochen Ruetz

GFT Technologies Aktiengesellschaft, St. Georgen

as of 31 March 2006

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Liabilities	Interim Report 31/03/2006 €	Annual Accounts 31/12/2005 €
Current liabilities		
Current portion of capital lease obligation	0.00	0.00
Short-term loans and current portion of long-term loans	173,547.56	10,332.00
Trade payables	10,591,603.03	10,261,121.35
Payables from related parties	0.00	0.00
Deposits received	3,232,478.35	2,251,188.84
Provisions	12,743,945.09	9,476,765.40
Deferred revenues	2,850,931.29	2,569,166.77
Current income tax liabilities	1,228,308.99	640,323.49
Deferred tax liabilities	0.00	0.00
Other current liabilities	5,120,333.82	4,607,658.03
Others	0.00	0.00
Total current liabilities	35,941,148.13	29,816,555.88
Non-current liabilities		
Long-term loans	129,472.00	132,918.00
Long-term capital lease obligations	0.00	0.00
Deferred revenues	0.00	0.00
Deferred tax liabilities	591,954.44	499,675.24
Provisions for pensions	820,394.00	820,394.00
Others	2,478,102.21	2,631,810.99
Total non-current liabilities	4,019,922.65	4,084,798.23
Minority interest	0.00	0.00
Shareholders' equity		
Share capital	26,325,946.00	26,325,946.00
Capital reserve	67,346,563.99	67,346,563.99
Treasury stock	0.00	0.00
Legal reserve	1,387.65	1,387.65
Other retained earnings	2,343,349.97	2,343,349.97
Foreign currency translation	75,908.17	87,641.94
Market assessment for securities	245,000.00	181,250.00
Consolidated balance sheet loss	-51,486,351.59	-51,829,043.39
Total shareholders' equity	44,851,804.19	44,457,096.16
Total equity and liabilities	84,812,874.97	78,358,450.27

GFT Technologies Aktiengesellschaft, St. Georgen

Consolidated Income Statement (IFRS)

from 1 January until 31 March 2006

	Interim Report		Cumulated period	
	01/01/2006– 31/03/2006 €	01/01/2005– 31/03/2005 €	01/01/2006– 31/03/2006 €	01/01/2005– 31/03/2005 €
Revenue	37,940,443.44	28,255,140.39	37,940,443.44	28,255,140.39
Other operating income	952,599.67	1,383,357.45	952,599.67	1,383,357.45
Changes in inventories of work in progress	0.00	0.00	0.00	0.00
Other capitalised services	85,338.25	0.00	85,338.25	0.00
Cost of material/Purchased services	-17,908,153.90	-10,729,129.84	-17,908,153.90	-10,729,129.84
Employee benefits costs	-15,449,254.84	-14,246,238.51	-15,449,254.84	-14,246,238.51
Depreciation of tangible and intangible assets	-266,602.01	-326,912.32	-266,602.01	-326,912.32
Goodwill amortisation	0.00	0.00	0.00	0.00
Other operating expenses	-4,512,121.79	-4,234,941.62	-4,512,121.79	-4,234,941.62
Others	0.00	0.00	0.00	0.00
Result from operating activities	842,248.82	101,275.55	842,248.82	101,275.55
Interest income/expenses	94,074.77	213,641.33	94,074.77	213,641.33
Dividend income	0.00	0.00	0.00	0.00
Income/expenses from financial assets using the equity method	0.00	0.00	0.00	0.00
Foreign currency gains/losses	-2,589.71	-34,529.30	-2,589.71	-34,529.30
Other income/expenses	-19,100.00	-119,717.92	-19,100.00	-119,717.92
Earnings before tax (and minority interest)	914,633.88	160,669.66	914,633.88	160,669.66
Income tax expenses	-571,942.08	-47,380.51	-571,942.08	-47,380.51
Extraordinary income/expenses	0.00	0.00	0.00	0.00
Earnings before minority interest	342,691.80	113,289.15	342,691.80	113,289.15
Minority interest	0.00	0.00	0.00	0.00
Net income/net loss	342,691.80	113,289.15	342,691.80	113,289.15
Net earnings per share (basics)	0.01	0.00	0.01	0.00
Net earnings per share (diluted)	0.01	0.00	0.01	0.00
Weighted average number of shares outstanding (basic)	26,325,946	26,325,946	26,325,946	26,325,946
Weighted average number of shares outstanding (diluted)	26,325,946	26,325,946	26,325,946	26,325,946

GFT Technologies Aktiengesellschaft, St. Georgen

Consolidated Cash Flow Statement

from 1 January until 31 March 2006

	Cumulated period	
	01/01/2006– 31/03/2006 €	01/01/2005– 31/03/2005 €
Cash flows from operating activities		
Net income	342,691.80	113,289.15
Adjustments for:		
Minority interest	0.00	0.00
Depreciation	266,602.01	326,912.32
Decrease of provisions and value adjustments	-1,309,910.09	-2,903,352.26
Losses/gains from the disposal of assets	778.73	-9,135.61
Foreign currency gains/losses	-2,589.71	-34,529.30
Others	-33,900.00	119,717.92
Changes in working capital	-6,889,545.93	-8,678,630.86
Cash flows from operating activities	-7,625,873.19	-11,065,728.64
Cash flows from investing activities		
Acquisition of consolidated companies, net of purchased cash	-6,022,087.75	0.00
Income of sales of consolidated companies, net of cash disposed of	0.00	0.00
Acquisition of fixed assets	-263,734.19	-193,172.21
Income of sales of consolidated companies, net of cash disposed of	416.00	82,150.00
Others	2,576,000.00	-877,455.55
Cash flows used in investing activities	-3,709,405.94	-988,477.76
Cash flows from financing activities		
Cash receipts from equity contribution	0.00	0.00
Cash receipts from issuing short- or long-term loans	156,547.50	1,437,060.55
Cash payments for repayments of loans	-526,771.47	0.00
Cash payments for lease obligations	0.00	0.00
Others	-49,983.77	24,705.13
Cash flows used in financing activities	-420,207.74	1,461,765.68
Foreign exchange difference	0.00	0.00
Decrease of liquid funds	-11,755,486.87	-10,592,440.72
Liquid funds at the beginning of the period	20,652,062.51	20,472,430.62
Liquid funds at the end of the period	8,896,575.64	9,879,989.90

GFT Technologies Aktiengesellschaft, St. Georgen

Consolidated Statement of Changes in Equity

as of 31 March 2006

	Subscribed capital €	Capital reserve €	Retained Earnings	
			Legal reserve €	Other revenue reserves €
As of 31 December 2004	26,325,946.00	67,346,563.99	1,387.65	2,343,349.97
Write-off of negative goodwill 1 January 2005 (IFRS 3.81)				
Adapted to 1 January 2005 version	26,325,946.00	67,346,563.99	1,387.65	2,343,349.97
Financial assets available for sale (securities)				
- Change of fair value recognised in equity				
- Transferred to income statement 01/01-31/03/2005				
Exchange differences on translating foreign operations 01/01-31/03/2005				
Deferred taxes taken directly to or transferred from equity 01/01-31/03/2005				
Income and expense recognised directly in equity 01/01-31/03/2005				
Net income 01/01-31/03/2005				
Total recognised income and expense for 01/01-31/03/2005				
As of 31 March 2005	26,325,946.00	67,346,563.99	1,387.65	2,343,349.97
Financial assets available for sale (securities)				
- Change of fair value recognised in equity				
- Transferred to income statement 01/01-31/12/2005				
Exchange differences on translating foreign operations 01/01-31/12/2005				
Deferred taxes taken directly to or transferred from equity 01/01-31/12/2005				
Income and expense recognised directly in equity 01/01-31/12/2005				
Net income 01/01-31/12/2005				
Total recognised income and expense for financial year 2005				
As of 31 December 2005	26,325,946.00	67,346,563.99	1,387.65	2,343,349.97
Financial assets available for sale (securities)				
- Change of fair value recognised in equity				
- Transferred to income statement 01/01-31/03/2006				
Exchange differences on translating foreign operations 01/01-31/03/2006				
Deferred taxes taken directly to or for transferred from 01/01-31/03/2006				
Income and expense recognised directly in equity 01/01-31/03/2006				
Net income 01/01-31/03/2006				
Total recognised income and expense for 01/01-31/03/2006				
As of 31 March 2006	26,325,946.00	67,346,563.99	1,387.65	2,343,349.97

Changes in equity not affecting results		Consolidated balance sheet loss €	Equity attributed to equity holders of the parent €	Minority interest €	Total share capital €
Foreign currency translations €	Market assessment for securities €				
52,910.25	0.00	-52,958,512.85	43,111,645.01	0.00	43,111,645.01
		65,046.44	65,046.44		65,046.44
52,910.25	0.00	-52,893,466.41	43,176,691.45	0.00	43,176,691.45
0.00		0.00		0.00	
	0.00		0.00		0.00
24,705.13			24,705.13		24,705.13
	0.00		0.00		0.00
24,705.13	0.00	0.00	24,705.13	0.00	24,705.13
		113,289.15	113,289.15	0.00	113,289.15
24,705.13	0.00	113,289.15	137,994.28	0.00	137,994.28
77,615.38	0.00	-52,780,177.26	43,314,685.73	0.00	43,314,685.73
290,000.00		290,000.00		290,000.00	
	0.00		0.00		0.00
34,731.69			34,731.69		34,731.69
	-108,750.00		-108,750.00		-108,750.00
34,731.69	181,250.00	0.00	215,981.69	0.00	215,981.69
		1,064,423.02	1,064,423.02	0.00	1,064,423.02
34,731.69	181,250.00	1,064,423.02	1,280,404.71	0.00	1,280,404.71
87,641.94	181,250.00	-51,829,043.39	44,457,096.16	0.00	44,457,096.16
276,000.00		276,000.00		276,000.00	
	-174,000.00		-174,000.00		-174,000.00
-11,733.77			-11,733.77		-11,733.77
	-38,250.00		-38,250.00		-38,250.00
-11,733.77	63,750.00	0.00	52,016.23	0.00	52,016.23
		342,691.80	342,691.80	0.00	342,691.80
-11,733.77	63,750.00	342,691.80	394,708.03	0.00	394,708.03
75,908.17	245,000.00	-51,486,351.59	44,851,804.19	0.00	44,851,804.19

GFT Technologies Aktiengesellschaft, St. Georgen**Notes to the Quarterly Financial Statements**

as of 31 March 2006

1. Fundamentals for the GFT Group's quarterly financial statements

The quarterly financial statements of the GFT Technologies Aktiengesellschaft Group ("GFT AG") should be read in conjunction with the GFT AG Group annual financial statements as of the end of the last financial year (31 December 2005). 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 and the regulations for the Frankfurt Stock Exchange.

The same accounting and valuation methods were used in these quarterly financial statements as in the previous group annual financial statements as of 31 December 2004. These are the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board (IASB).

2. 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 2005.

With effect from 31 January 2006 GFT AG bought all of the business shares of the following companies:

1. PARITY EUROSOFT S.A.R.L. ,Paris, France
2. GFT Resource Management GmbH (until 15 March 2006 PARITY BETEILIGUNGSGESELLSCHAFT GMBH),
Frankfurt am Main including the subsidiaries
Parity Selection GmbH, Munich,
Parity Eurosoft GmbH, Frankfurt am Main and
Parity Business Solutions GmbH, Frankfurt am Main

- all five companies together are jointly referred to as "Parity companies".

The companies named above were included in the consolidated financial statements for the first time from 31 January 2006. Their contribution to revenue in the first quarter 2006 totalled € 8.2m. with a contribution to results totalling € 0.1m. The initial inclusion of the stated companies affects the Group's assets, financial and earnings position and thus makes comparisons with the previous year's figures difficult.

On 10 February 2006 GFT AG purchased 100% of the shares in GFT Business Development GmbH, Eschborn, which is included in the consolidated financial statements from this time onwards. As this company did not engage in operating activities from the time it was purchased until 31 March 2006, first-time inclusion did not have a significant influence on the asset, financial or earnings position of the Group; similarly there is no effect on comparability with previous year's figures.

In addition, the scope of consolidation was also subject to the following changes compared with the quarterly financial statements to 31 March 2005.

The subsidiary, GFT Brasil Consultoria Informática Ltda., São Paulo, Brazil, acquired in November 2005, was included in the consolidated financial statements for the first time. As this company did not engage in operating activities from the time it was purchased until 31 March 2006, first-time inclusion did not have significant influence on the asset, financial or earnings position of the Group; similarly there is no effect on comparability with previous year's figures.

3. Corporate mergers between 1 January and 31 March 2006

On 10 February 2006 GFT AG purchased 100% of the shares in GFT Business Development GmbH, Eschborn. This is a stocking company that was purchased exclusively to extend business activities in Southern and Eastern Europe including the CIS states, but which has since that date not carried out any operating activities. The purchase costs totalled €(k) 28 and were paid in cash. The purchased company only held assets totalling a bank credit of €(k) 13 and outstanding deposits totalling €(k) 12. The merger created goodwill totalling €(k) 3. The loss of GFT Business Development GmbH from the date of purchase to 31 March 2006 contained in the results of the GFT Group for the period totals €(k) -6.

With the purchase contract dated 26 January 2006 – hereafter called "purchase contract" – GFT AG purchased all the business shares in the Parity companies with effect from 31 January 2006 (see point 2 above).

With this purchase GFT AG purchased the Resourcing Solutions division from Parity in Germany and France. The division covers the management of external IT service providers ranging from locating experts via service provider contract management to billing and reporting. The purchase aims to expand the existing GFT Segment *Resourcing* division and accelerate the expansion of business in France.

The purchase price for all the business shares in the Parity companies is currently believed to be €(k) 6,826 and according to the purchase contract is shared as follows over the companies purchased:

	€(k)
PARITY EUROSOFTE S.A.R.L.	1,000
GFT Resource Management GmbH	5,826

GFT Technologies Aktiengesellschaft, St. Georgen

Notes to the Quarterly Financial Statements

as of 31 March 2006

The purchase contract includes adaptation mechanisms that could result in a change to the purchase price depending on data not yet known at present. From today's perspective, before including any future changes to the purchase price the total purchasing cost is comprised as follows:

	€(k)
Purchase price	6,826
Due diligence, legal, consulting and notary costs	207
Total purchase costs	7,033

The purchase costs were paid in cash.

At present the sums applied to each class of assets and debts of the purchased companies at the time of purchase are as follows:

	Book value = current value €(k)
Assets	
Long-term assets	
Tangible assets	37
Short-term assets	
Receivables and other assets	11,030
Liquid funds	1,015
	12,045
	12,082
Debts	
Short-term debts	
Provisions for taxation	
Other provisions	4,446
Liabilities	4,954
	10,060
Net assets acquired	2,022
Goodwill	5,011
Purchase costs	7,033

The factors that contributed to the purchase costs that were used to set the goodwill are:

- a. Qualification and activity of the employees of the Parity companies
- b. Positioning of Parity companies with the customers including existing framework agreements
- c. Current, comprehensive, maintained database of available IT service providers.
- d. Process expertise on the cost-effective processing of temporary freelancers
- e. Expected synergy potential with the GFT Group customer portfolio.

It is not possible to identify immaterial assets that are separate from goodwill.

The profit of the purchased Parity companies from the date of purchase to 31 March 2006 contained in the results of the GFT Group for the period totals €(k) 103.

The revenue of the GFT Group for the reporting period from 1 January to 31 March 2006 would have been € 41.8m. if all mergers that took place within this period had been purchased at the start of the reporting period.

The profit of the GFT Group for the reporting period from 1 January to 31 March 2006 would have been € 0.2m. if all mergers that took place within this period had been purchased at the start of the reporting period.

4. Changes in equity

With respect to the changes in equity capital between 1 January 2006 and 31 March 2006 we refer to the consolidated statement of changes in equity on page 14 and 15.

As of 31 March 2006 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 2005). These shares are bearer shares and all grant equal rights. On 31 March 2006 the consolidated balance sheet loss included a carry forward from the previous year amounting to €(k) -51,829 (previous year: €(k) -52,893).

No changes resulted to the company's authorised and conditional capital between 1 January and 31 March 2006 relative to 31 December 2005. Dividends have not been proposed or paid out during the 2006 financial year.

5. Segmental reporting

Segmental reporting for the first three months of 2006 financial year was undertaken for the same business segments as in the group's annual financial statement as of 31 December 2005. Segment *Resourcing* also contains the Parity companies that were included in the consolidated accounts for the first time from 31 January 2006 (see point 2 above).

GFT Technologies Aktiengesellschaft, St. Georgen

Notes to the Quarterly Financial Statements – Segment reporting

as of 31 March 2006

	Services		Software		Resourcing	
	31/03/2006 k€	31/03/2005 k€	31/03/2006 k€	31/03/2005 k€	31/03/2006 k€	31/03/2005 k€
Revenue						
External sales	18,868	17,524	1,549	1,747	17,523	8,984
Inter-segment sales	–	–	–	–	–	11
Total revenue	18,868	17,524	1,549	1,747	17,523	8,995
Result						
Segment result	1,402	91	-398	114	246	305
Unallocated income/expenses						
Operating result						
Interest expenses						
Interest income						
Share of profit/loss of associates						
Earnings before tax						
Income tax expense						
Net income						
Other information						
Segment assets	41,287	40,108	1,232	2,323	30,850	12,978
Investments in associates accounted for under the equity method						
Unallocated corporate assets						
Consolidated total assets						
Segment liabilities	21,338	18,391	2,137	2,273	14,096	5,770
Unallocated corporate liabilities						
Consolidated total liabilities						
Capital expenditure	132	159	99	26	30	8
Depreciation	219	282	30	34	12	11
Non-cash expenditure other than depreciation	–	–	–	–	–	–

	Total		Eliminations		Consolidated	
	31/03/2006 k€	31/03/2005 k€	31/03/2006 k€	31/03/2005 k€	31/03/2006 k€	31/03/2005 k€
	37,940	28,255				
	–	11	–	-11		
	37,940	28,266	0	-11	37,940	28,255
	1,250	510			1,250	510
					-429	-563
					821	-53
					-56	-15
					150	229
					–	–
					915	161
					-572	-48
					343	113
	73,369	55,409			73,369	55,409
					–	–
			11,444	17,229	11,444	17,229
					84,813	72,638
	37,571	26,434			37,571	26,434
			2,390	2,890	2,390	2,890
					39,961	29,324
	261	193	3	–	264	193
	261	327	6	–	267	327
	–	–	19	120	19	120

GFT Technologies Aktiengesellschaft, St. Georgen

Notes to the Quarterly Financial Statements

as of 31 March 2006

In addition to segment data by business segment, oriented in accordance with the company's structure, the table shown below contains geographical data in accordance with IAS 14 (secondary segment information).

	External revenues for group**		Book value for segmental assets		Investments in tangible fixed assets and intangible assets	
	01/01– 31/03/2006 in €(k)	01/01– 31/03/2005 in €(k)	31/03/2006 in €(k)	31/03/2005 in €(k)	01/01– 31/03/2006 in €(k)	01/01– 31/03/2005 in €(k)
Germany	23,490	18,385	60,119	58,750	155	133
Spain	3,364	3,109	11,467	6,601	93	11
United Kingdom	2,516	2,328	5,681	4,216	8	19
Switzerland	817	1,010	1,444	1,864	6	19
Brazil	2,537	728	39	0	0	0
France	2,304	52	5,099	105	0	0
Other foreign countries	2,912	2,643	964	1,102	2	11
Total	37,940	28,255	84,813	72,638	264	193

* According to location of clients' head office

6. Changes to contingent liabilities

As of 31 March 2006, the group had not undergone any significant changes to its contingencies and other financial commitments since its group annual financial statements of 31 December 2005.

7. Investments

During the period between 1 January 2006 and 31 March 2006, the GFT Group invested €(k) 97 in intangible fixed assets (1 January to 31 March 2006: €(k) 63) and €(k) 167 in tangible assets (1 January to 31 March 2006: €(k) 130).

8. Related Party disclosures

Relative to the notes to the group annual financial statements as of 31 December 2005 there were no changes to the composition of the affiliated companies and people, and to the relationships with these.

9. Explanations about shares for company use and subscription rights of employees and members of the company's executive bodies

As of 31 March 2006 GFT AG does not hold any own shares; nor were any own shares acquired or sold in the period from 1 January to 31 March 2006 (§ 160 para. 1 no. 2 AktG – German Company Law).

The explanations about subscription rights of employees and members of the company's executive bodies as per § 160 para. 1 no. 5 AktG refer to the stock options program (subscription rights as per § 192 para. 2 no. 3 AktG):

The extraordinary shareholders' meeting of 4/24 June 1999 approved a conditional equity capital increase through an issue of up to 260,000 individual share certificates (corresponding to 780,000 individual share certificates following the 3:1 stock split of May 16, 2000, Conditional Capital I/1999) permitting subscription rights exclusively through stock options programs as well as the basic features of stock options programs to be launched by the Executive Board. The conditional increase in capital is to be carried out only insofar as the holders of the issued subscription rights wish to use their subscription rights according to § 192 para. 2 no. 3 AktG. Beneficiaries are exclusively members of the Executive Board and employees of GFT Technologies AG as well as of 100% subsidiaries, to whom purchasing rights have been granted. The subscription rights under the "1999/2004" and "2000/2005" stock option programmes issued by the Executive Board lapsed on 6 July 2004 and respectively 1 July 2005 without having been exercised. Therefore, no subscription rights pursuant to Sec. 192 para. 2 No. 3 of the German Corporation Law (AktG) which may be used have existed since 1 July 2005.

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Dates

Interim Report as of 31 March 2006	11 May 2006
Annual General Meeting	23 May 2006
Interim Report as of 30 June 2006	10 August 2006
Interim Report as of 30 September 2006	9 November 2006

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