

# Group Quarterly Statement

of GFT Technologies SE  
as of 31 March 2017

# Key figures (IFRS, unaudited)

GFT Technologies SE

in € million	Q1/2017	Q1/2016	Δ € million	Δ %
<b>Income statement</b>				
Revenue	111.10	97.39	13.71	14%
Earnings before interest, tax, depreciation and amortisation (EBITDA)	9.92	10.15	-0.23	-2%
Earnings before interest and taxes (EBIT)	6.95	7.40	-0.45	-6%
Earnings before taxes (EBT)	6.63	7.04	-0.41	-6%
Net income	4.99	5.57	-0.58	-10%
<b>Segments</b>				
Revenue Americas & UK	54.86	51.18	3.68	7%
Revenue Continental Europe	56.08	46.05	10.03	22%
Revenue Others	0.16	0.16	0.00	0%
Earnings before taxes (EBT) Americas & UK	-2.29	1.08	-3.37	-311%
Earnings before taxes (EBT) Continental Europe	8.45	4.65	3.80	82%
Earnings before taxes (EBT) Others	0.47	1.31	-0.84	-64%
<b>Share</b>				
Earnings per share	€0.19	€0.21	€-0.02	-10%
Average number of outstanding shares	26,325,946	26,325,946	0	0%
<b>Balance sheet</b>				
Non-current assets	173.40	166.98	6.42	4%
Cash, cash equivalents and securities	44.13	42.88	1.25	3%
Other current assets	137.45	116.20	21.25	18%
<b>Assets</b>	<b>354.98</b>	<b>326.06</b>	<b>28.92</b>	<b>9%</b>
Non-current liabilities	130.46	113.46	17.00	15%
Current liabilities	102.81	87.84	14.97	17%
Shareholders' equity	121.71	124.77	-3.06	-2%
<b>Liabilities</b>	<b>354.98</b>	<b>326.06</b>	<b>28.92</b>	<b>9%</b>
Equity ratio	34%	38%		
<b>Cash flow</b>				
Cash flow from operating activities	-16.95	-10.79	-6.16	
Cash flow from investing activities	-2.38	-1.26	-1.12	
Cash flow from financing activities	1.03	8.46	-7.43	
<b>Employees</b>				
Employees (absolute figures as of 31 March)	4,833	4,159	674	16%
Utilisation rate (weighted Ø GFT Group)	87.7%	90.3%		

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## 1. Overview of business development

The GFT Group made strong progress in the first quarter of 2017 with revenue growth of 14% to €111.10 million (Q1/2016: €97.39 million). In the *Continental Europe* segment, revenue rose by 22% to €56.08 million (Q1/2016: €46.05 million). The main growth driver was once again high demand from retail banks for solutions to digitalise their business processes.

Earnings before interest, taxes, depreciation and amortisation (EBITDA) of €9.92 million in the first quarter were slightly below the prior-year figure (Q1/2016: €10.15 million). This figure includes expenses of €1.00 million for adapting the sales organisations in the UK and USA to the persistently weak market environment for investment banking. In these countries, greater emphasis is to be placed in future on targeting retail banks with digitalisation solutions. Earnings also include personnel expenses for performance-based payment obligations (earn-out) of €0.25 million from the takeover of Habber Tec Brazil. Adjusted for these two effects, EBITDA of €11.17 million in the first quarter was 10% or €1.02 million above the prior-year figure. Pre-tax earnings (EBT) fell by 6% to €6.63 million (Q1/2016: €7.04 million).

### Consolidated revenue in the first quarter of 2017

	Q1/2017		Q1/2016		Δ %
	€ million	Share in %	€ million	Share in %	
GFT organic	108.20	97%	97.39	100%	11%
Habber Tec Brazil	2.90	3%	0.00	0%	–
<b>GFT Group</b>	<b>111.10</b>	<b>100%</b>	<b>97.39</b>	<b>100%</b>	<b>14%</b>

## 2. Development of revenue

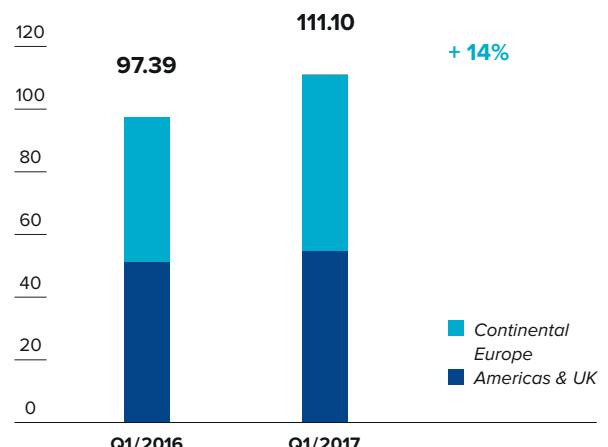
In the first three months of the financial year 2017, the GFT Group raised revenue by 14% to €111.10 million (Q1/2016: €97.39 million). Habber Tec Brazil, which was acquired in April 2016, accounted for €2.90 million of this total (Q1/2016: €0.00 million). Adjusted for this revenue contribution, the GFT Group generated organic growth of 11%.

## Revenue by segment

Revenue in the *Continental Europe* segment increased by 22% to €56.08 million in the first quarter of 2017 (Q1/2016: €46.05 million). The segment's share of consolidated revenue rose to 51% (Q1/2016: 47%). The main growth driver was persistently strong demand from retail banking clients for solutions to digitalise their business processes.

The *Americas & UK* segment, which mainly comprises investment banking clients, reported revenue growth of 7% to €54.86 million in the first quarter of 2017 (Q1/2016: €51.18 million). The moderate revenue growth of this segment reflects the persistently weak market trend in investment banking, which is dominated by the reduced capital spending of UK banks in the light of the forthcoming Brexit.

Revenue by segment in the first quarter of 2017  
in € million



Revenue by segment in the first quarter of 2017

	Q1/2017		Q1/2016	Δ %
	€ million	Share in %		
<i>Americas &amp; UK</i>	54.86	49%	51.18	7%
<i>Continental Europe</i>	56.08	51%	46.05	22%
<i>Others</i>	0.16	0%	0.16	0%
<b>GFT Group</b>	<b>111.10</b>	<b>100%</b>	<b>97.39</b>	<b>14%</b>

## Revenue by country

In the **UK**, revenue fell by 7% to €32.52 million in the first quarter of 2017 (Q1/2016: €34.97 million). This decline in revenue was mainly due to shifts in certain client budgets from the UK to the USA. The share of consolidated revenue generated with clients in this country fell to 29% (Q1/2016: 36%). The UK remains the GFT Group's largest sales market.

Revenue generated with clients in **Spain** (mainly retail banks) rose by 32% to €22.97 million (Q1/2016: €17.37 million). This favourable trend is driven by Spain's innovative banking sector, which is one of Europe's most advanced in terms of digitalisation. Spain was the GFT Group's second-largest sales market with a 21% share of consolidated revenue (Q1/2016: 18%).

Revenue in the **USA** benefited from the shifting of certain project budgets from the UK and rose by 11% to €13.99 million (Q1/2016: €12.57 million). The country's share of consolidated revenue amounted to 13% (Q1/2016: 13%).

Despite the country's current banking crisis, revenue in **Italy** remained firm in the first quarter with year-on-year growth of 2% to €13.58 million (Q1/2016: €13.30 million).

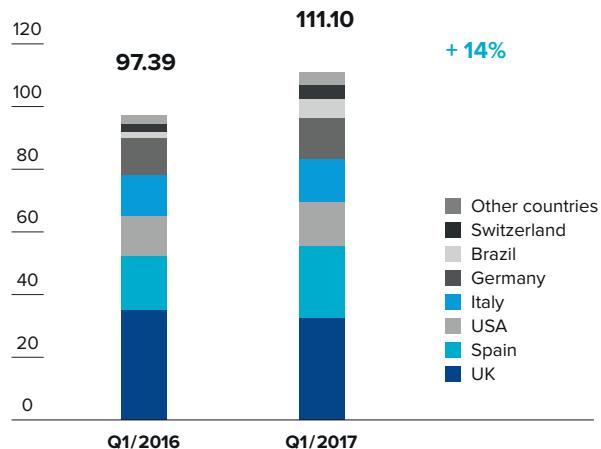
Business with clients in **Germany** grew by 14% to €13.20 million (Q1/2016: €11.54 million) and accounted for 12% of consolidated revenue.

Revenue generated with clients in **Brazil** almost tripled to €6.11 million (Q1/2016: €2.04 million), corresponding to 5% (Q1/2016: 2%) of consolidated revenue. Habber Tec Brazil accounted for €2.90 million (Q1/2016: €0.00 million) of this revenue.

In **Switzerland**, revenue improved by 84% to €4.56 million (Q1/2016: €2.48 million). This trend was driven by strong demand for the implementation of a core banking solution.

Revenue relating to **Other countries** increased by 34% to €4.17 million (Q1/2016: €3.12 million).

### Revenue by country in the first quarter of 2017 in € million



### Revenue by country in the first quarter of 2017

	Q1/2017		Δ %
	€ million	Share in %	
UK	32.52	29%	-7%
Spain	22.97	21%	32%
USA	13.99	13%	11%
Italy	13.58	12%	2%
Germany	13.20	12%	14%
Brazil	6.11	5%	199%
Switzerland	4.56	4%	84%
Other countries	4.17	4%	34%
<b>GFT Group</b>	<b>111.10</b>	<b>100%</b>	<b>14%</b>

### 3. Earnings position

#### Earnings position of the GFT Group

In the first three months of 2017, **earnings before interest, taxes, depreciation and amortisation (EBITDA)** of the GFT Group were 2% down on the previous year at €9.92 million (Q1/2016: €10.15 million). This figure includes expenses of €1.00 million for adapting the sales organisation to weak capital spending of investment banks in the UK and USA, as well as an earn-out payment for Habber Tec Brazil of €-0.25 million. Adjusted for these effects, EBITDA of €11.17 million in the first quarter was 10% or €1.02 million above the prior-year figure. EBITDA includes total costs for the CODE\_n innovation initiative of €0.24 million (Q1/2016: €0.27 million).

Due mainly to an increase in depreciation, **earnings before interest and taxes (EBIT)** decreased by €0.45 million to €6.95 million in the first quarter of 2017 and were thus 6% below the prior-year figure (Q1/2016: €7.40 million).

**Earnings before taxes (EBT)** fell by €0.41 million, or 6%, to €6.63 million (Q1/2016: €7.04 million). The operating margin was thus 6.0% (Q1/2016: 7.2%).

In the reporting period, **earnings after taxes** (net income) of €4.99 million were down €0.58 million or 10% on the previous year (Q1/2016: €5.57 million). The calculated **tax ratio** increased to 25% (Q1/2016: 21%).

**Earnings per share** declined by €0.02 to €0.19 (Q1/2016: €0.21), based on 26,325,946 outstanding shares.

#### Earnings (EBT) by segment

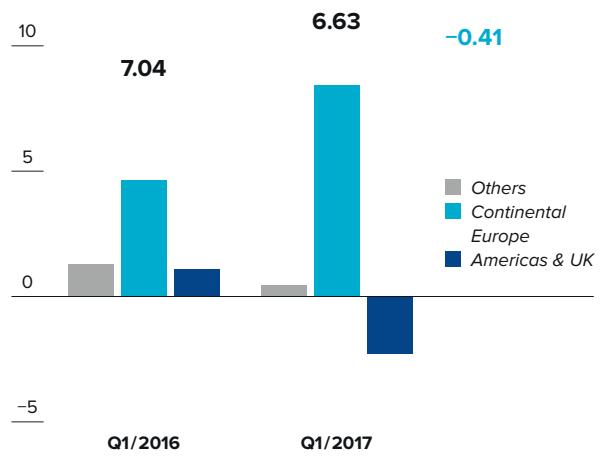
In the first three months of 2017, the pre-tax earnings contribution (EBT) of the *Americas & UK* segment decreased by €3.37 million to €-2.29 million (Q1/2016: €1.08 million). The operating margin fell to -4.2% (Q1/2016: 2.1%). This decline resulted mainly from the underutilisation of staff in the UK and USA. The sales organisation in these countries was adapted to the weak market environment in investment banking, resulting in costs of €1.00 million. In addition, segment earnings were burdened by earn-out payments for Habber Tec Brazil of €0.25 million.

The *Continental Europe* segment raised pre-tax earnings (EBT) by €3.80 million to €8.45 million (Q1/2016: €4.65 million). Due to economies of scale resulting from strong revenue growth in Spain, Germany and Switzerland, the operating margin – based on external revenue – amounted to 15.1% (Q1/2016: 10.1%).

Earnings of the *Others* category fell to €0.47 million (Q1/2016: €1.31 million).

The *Others* category – presented as a reconciliation column in segment reporting – comprises items which by definition are not included in the segments. It also includes elements of the Group headquarters which are not allocated, e.g. items or revenue relating to corporate activities only occasionally incurred or generated. Moreover, the reconciliation mainly comprises expenses for CODE\_n.

#### Earnings (EBT) by segment in the first quarter of 2017 in € million



## Earnings (EBT) by segment in the first quarter of 2017

	Q1/2017		Q1/2016	Δ
	€ million	Share in %		
Americas & UK	-2.29	-4.2%	1.08	2.1%
Continental Europe	8.45	15.1%	4.65	10.1%
Others	0.47	-	1.31	-
<b>GFT Group</b>	<b>6.63</b>	<b>6.0%</b>	<b>7.04</b>	<b>7.2%</b>
				-0.41

## Consolidated earnings position by income and expense items

In the first three months of 2017, **other operating income** of €0.68 million was €1.48 million down on the previous year (Q1/2016: €2.16 million).

The **cost of purchased services** decreased by €0.82 million to €13.79 million in the reporting period (Q1/2016: €14.61 million). This item includes the purchase of external services, which in the reporting period were provided increasingly by internal staff. The ratio of revenue to cost of purchased services fell year on year by 3 percentage points to 12% (Q1/2016: 15%).

**Personnel expenses** increased by €11.83 million to €72.40 million in the reporting period (Q1/2016: €60.57 million). This was mainly due to increased headcount and severance payments made in the UK and USA. Compared to the same period last year, the proportion of revenue to personnel expenses (personnel cost ratio) rose from 62% to 65%.

In the first three months of 2017, **depreciation and amortisation of tangible and intangible assets** rose by €0.22 million to €2.97 million (Q1/2016: €2.75 million). The increase is mainly due to scheduled writedowns on the customer base of €0.17 million (Q1/2016: €0.00 million) from the purchase price allocation (PPA) of Habber Tec Brazil.

**Other operating expenses** increased by €1.46 million to €15.67 million in the reporting period (Q1/2016: €14.21 million). The main cost elements were operating, administrative and selling expenses, which rose by €1.42 million to €13.80 million (Q1/2016: €12.38 million).

The **financial result** in the first three months amounted to €-0.33 million (Q1/2016: €-0.36 million).

## 4. Financial position

As the parent company of the GFT Group, GFT Technologies SE has concluded a number of promissory note agreements and a syndicated loan agreement in order to secure the long-term funding of the Group. The syndicated loan agreement with a fixed term of five years for an amount of up to €80.00 million was concluded in the financial year 2015 with a banking consortium comprising Deutsche Bank AG, Landesbank Baden-Württemberg and UniCredit Bank AG. The amount of up to €80.00 million comprises two tranches, a Facility A credit line of up to €40.00 million and a Facility B revolving credit line of up to €40.00 million. As of 31 March 2017, €40.00 million of Facility A and €23.00 million of Facility B had been drawn. The interest rate is variable: for both facilities it is a fixed premium set per calendar year depending on the GFT Group's level of debt and based on the respective Euribor rate – 1, 2, 3 or 6 months.

**Cash and cash equivalents** as of 31 March 2017 amounted to €44.13 million and was thus €18.16 million below the year-end figure for 2016 (€62.29 million). The decline, or cash outflow, is mostly due to closing-date effects in working capital. There was no stock of short-term securities.

As of 31 March 2017, the GFT Group had unused credit lines of €48.73 million. The net liquidity of the GFT Group – calculated as the stock of disclosed cash and cash equivalents less financial liabilities – changed from €-42.05 million as of 31 December 2016 to €-61.25 million on 31 March 2017. The change in net liquidity compared to year-end 2016 resulted mainly from the decrease in cash and cash equivalents.

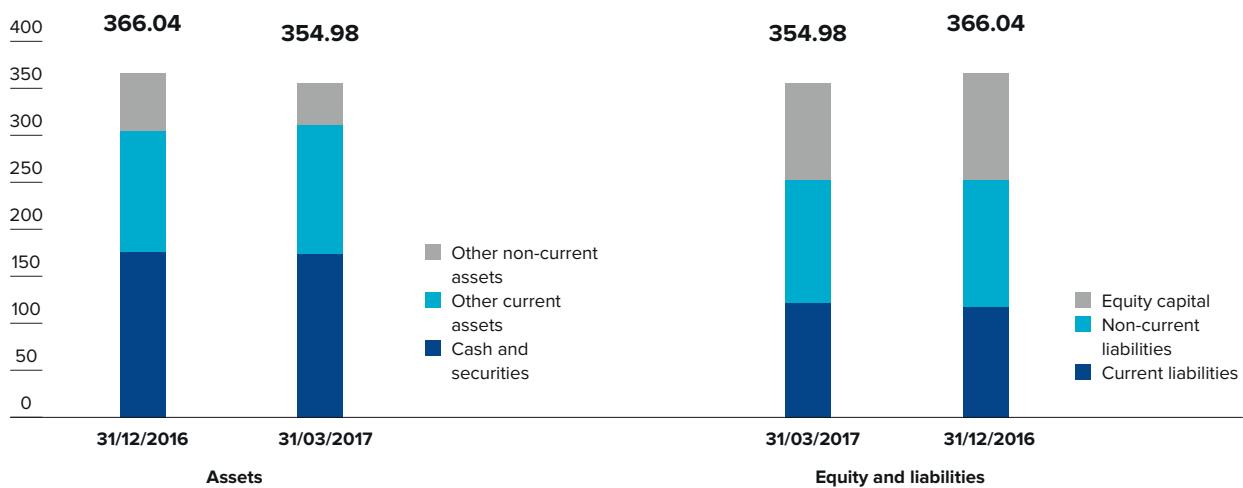
In the first quarter of 2017, **cash flows from operating activities** amounted to €-16.95 million and were thus €6.16 million below the prior-year figure (€-10.79 million). As usual, cash flows from operating activities were at first negative in the course of the year. The year-on-year decline in this item resulted mainly from the fall in trade payables and other liabilities of €-16.69 million (Q1/2016: €-1.50 million). On the whole, cash flows from operating activities during the reporting period were dominated by the above mentioned changes in trade payables and other liabilities, as well as changes in trade receivables of €-9.64 million (Q1/2016: €-10.39 million). These outflows were mainly opposed by the net income of €4.99 million (Q1/2016: €5.57 million), as well as amortisation and depreciation of €2.97 million (Q1/2016: €2.75 million).

**Cash flows from investing activities** decreased by €1.12 million to €-2.38 million in the first three months of 2017 (Q1/2016: €-1.26 million). This was mainly due to higher investments in property, plant and equipment totalling €-1.91 million (Q1/2016: €-1.20 million) as well as payments for the purchase of consolidated companies less acquired cash and cash equivalents of €-0.34 million (Q1/2016: €0.00 million), which relates to the acquisition of Italian IT service provider Sempla S.r.l. in 2013. Payments for property, plant and equipment mostly concerned standard investments in IT.

**Cash flows from financing activities** in the first quarter of 2017 amounted to €1.03 million, compared to €8.46 million in the same period last year. The decrease of €7.43 million resulted mainly from the €8.24 million reduction in cash receipts from taking out loans. Payments for the redemption of loans fell to €-0.09 million (Q1/2016: €-0.91 million).

## 5. Asset position

Consolidated balance sheet structure as of 31 March 2017  
in € million



### Assets

in € million	31/03/2017	31/12/2016
Other non-current assets	173.40	175.54
Other current assets	137.45	128.21
Cash and securities	44.13	62.29
	<b>354.98</b>	<b>366.04</b>

As of 31 March 2017, GFT's balance sheet total amounted to €354.98 million and was thus €11.06 million below the year-end figure 2016 (€366.04 million). The decline in total assets is mainly due to reduced cash and cash equivalents.

**Non-current assets** as of 31 March 2017 totalled €173.40 million, compared to €175.54 million on 31 December 2016. The net decrease of €2.14 million resulted in particular from a change in goodwill of €-1.50 million due to currency effects.

### Equity and liabilities

in € million	31/03/2017	31/12/2016
Equity capital	121.71	117.18
Non-current liabilities	130.46	134.65
Current liabilities	102.81	114.21
	<b>354.98</b>	<b>366.04</b>

As of 31 March 2017, **current assets** amounted to €181.58 million and were €8.93 million below the corresponding figure at the end of financial year 2016 (€190.50 million). This trend was largely attributable to the decline in cash and cash equivalents of €18.16 million, from €62.29 million to €44.13 million. Trade receivables rose by €9.24 million to €126.55 million (31 December 2016: €117.31 million), mainly as a result of increased revenue. The volume of trade receivables continues to be influenced by claims resulting from the mutually agreed termination and final invoicing of an implementation project between a software vendor and an end customer in financial year 2016, for which GFT Technologies SE acted as sub-contractor.

**Equity** of €121.71 million at the end of the first quarter of 2017 was €4.53 million higher than on the reporting date 2016 (€117.18 million). The increase was largely due to the balance sheet profit for the reporting period of €4.99 million. Other items were largely unchanged.

The **equity ratio** as of 31 March stood at 34% and was thus 2 percentage points above the year-end 2016 figure of 32%.

**Non-current liabilities** were down €4.19 million to €130.46 million as of 31 March 2017 (31 December 2016: €134.65 million), which was largely in connection with a €4.08 million decline in financial liabilities to €81.96 million (31 December 2016: €86.04 million).

As of 31 March 2017, **current liabilities** amounted to €102.81 million, compared to €114.21 million at the end of the previous year. The net decrease of €11.40 million is mainly due to a €7.05 million reduction in trade payables to €5.47 million (31 December 2016: €12.52 million) and an €8.11 million decrease in other liabilities to €33.86 million (31 December 2016: €41.97 million). There was an opposing increase in current financial liabilities of €5.11 million to €23.42 million (31 December 2016: €18.31 million).

Due in particular to the decrease in borrowing, the GFT Group's **debt ratio** fell by 2 percentage points to 66%, compared to 68% on 31 December 2016.

## 6. Non-financial performance indicators

### Employees

As of 31 March 2017, the GFT Group employed a total of 4,833 people. This corresponds to a year-on-year increase in headcount of 16% (31 March 2016: 4,159). Headcount is calculated on the basis of full-time employees; part-time employees are included pro rata. The productive utilisation rate based on the use of production staff in client projects amounted to 88% in the reporting period (Q1/2016: 90%).

#### Employees by division

	31/03/2017	31/03/2016	Δ %
Americas & UK	1,286	974	32%
Continental Europe	3,425	3,081	11%
Others (Holding)	122	105	16%
<b>Total</b>	<b>4,833</b>	<b>4,159</b>	<b>16%</b>

#### Employees by country

	31/03/2017	31/03/2016	Δ %
Spain	2,023	1,813	12%
Brazil	727	479	52%
Poland	576	503	15%
Italy	568	536	6%
Germany	323	285	13%
UK	227	243	-7%
Mexico	143	104	38%
Costa Rica	123	64	92%
USA	62	71	-13%
Switzerland	57	49	16%
Canada	4	12	-67%
<b>Total</b>	<b>4,833</b>	<b>4,159</b>	<b>16%</b>

## 7. Forecast report

The guidance issued in the combined management report 2016 for the current financial year 2017 is hereby upheld.

Measures introduced in the first quarter to optimise the sales organisations of the *Americas & UK* segment will be completed by the end of the first half-year and will have a positive impact on earnings from the second half of the year onwards. These measures mainly involve adapting operations in the UK and USA to the weak market environment for investment banking, which has led to the underutilisation of highly paid consulting specialists in this field. In these countries, greater emphasis is to be placed in future on targeting retail banks with solutions for the digitalisation of business processes, in order to strengthen the GFT Group's market position in this field.

In the *Continental Europe* segment, we expect consistently high demand for the digitalisation of business processes and a correspondingly positive development of our business in this field.

### Operating targets of the GFT Group for 2017

- Consolidated revenue for the full year 2017 is expected to reach €450.00 million
- Earnings before interest, taxes, depreciation and amortisation (EBITDA) of €48.50 million and pre-tax earnings (EBT) of €35.00 million are anticipated in 2017.
- The productive utilisation rate is expected to remain at the high prior-year rate of 90% in 2017.

### Medium-term prospects for the GFT Group

Assuming that the demand for solutions to achieve regulatory compliance remains strong and the trend to digitalise business processes continues, the GFT Group is upholding its medium-term guidance first issued on 2 March 2016. It therefore aims to raise consolidated revenue to €800.00 million with an EBITDA margin of around 12% by 2020. The underlying business plan assumes continued organic growth of around 10% per year in combination with targeted acquisitions.

### Assumptions for the forecasts

Our forecasts are based on the above assumptions regarding overall economic development and the development of the financial services sector and IT industry. These forecasts take account of all events known at the time of preparing this report that might have an impact on the performance of the GFT Group.

Stuttgart, 10 May 2017

GFT Technologies SE  
The Managing Directors of the Administrative Board



**Ulrich Dietz**  
CEO



**Marika Lulay**  
COO



**Dr. Jochen Ruetz**  
CFO



## 8. Consolidated Balance Sheet (IFRS, unaudited)

as at 31 March 2017, GFT Technologies SE

## Assets

in €	31/03/2017	31/12/2016
<b>Non-current assets</b>		
Licences, industrial property rights and similar rights	28,226,577.88	29,542,905.07
Goodwill	105,573,202.68	107,073,742.24
Property, plant and equipment	31,790,466.05	31,210,664.54
Financial assets, accounted for using the equity method	365,248.76	370,040.32
Other financial assets	1,569,064.48	1,566,328.49
Current tax assets	870,963.38	883,780.15
Deferred tax assets	5,007,634.75	4,890,203.91
	<b>173,403,157.98</b>	<b>175,537,664.72</b>
<b>Current assets</b>		
Inventories	21,294.33	27,856.80
Trade receivables	126,547,844.45	117,308,335.67
Current tax assets	3,316,632.87	3,225,294.33
Cash, cash equivalents and securities	44,130,097.64	62,290,469.48
Other financial assets	1,903,795.17	1,714,013.99
Other assets	5,655,465.09	5,938,518.73
	<b>181,575,129.55</b>	<b>190,504,489.00</b>
	<b>354,978,287.53</b>	<b>366,042,153.72</b>

## Shareholders' equity and liabilities

in €	31/03/2017	31/12/2016
<b>Shareholders' equity</b>		
Share capital	26,325,946.00	26,325,946.00
Capital reserve	42,147,782.15	42,147,782.15
Retained earnings		
Other retained earnings	22,243,349.97	22,243,349.97
Changes not affecting net income	-20,551,548.07	-20,296,182.84
Changes in equity not affecting net income		
Actuarial losses	-2,770,340.99	-2,764,248.94
Foreign currency translations	2,013,566.68	2,215,605.09
Consolidated balance sheet profit	52,301,296.91	47,311,135.14
	<b>121,710,052.65</b>	<b>117,183,386.57</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Other financial liabilities	31,953,230.80	32,843,970.47
Financial liabilities	81,962,832.84	86,035,062.67
Provisions for pensions	8,871,064.40	8,689,968.64
Other provisions	1,911,637.48	1,490,306.35
Deferred tax liabilities	5,759,556.09	5,591,639.19
	<b>130,458,321.61</b>	<b>134,650,947.32</b>
<b>Current liabilities</b>		
Other provisions	36,324,027.53	37,064,690.69
Current income tax liabilities	2,010,978.00	2,437,281.25
Financial liabilities	23,415,543.65	18,308,325.27
Trade payables	5,472,933.16	12,516,758.54
Other financial liabilities	1,727,343.10	1,913,480.78
Other liabilities	33,859,087.83	41,967,283.30
	<b>102,809,913.27</b>	<b>114,207,819.84</b>
	<b>354,978,287.53</b>	<b>366,042,153.72</b>

## 9. Consolidated Income Statement (IFRS, unaudited)

for the period from 1 January to 31 March 2017, GFT Technologies SE

in €	Q1/2017	Q1/2016
Revenue	111,100,217.60	97,386,000.42
Other operating income	684,705.62	2,160,783.53
	<b>111,784,923.22</b>	<b>99,546,783.95</b>
Cost of purchased services	13,788,210.46	14,614,354.59
Personnel expenses		
a) Salaries and wages	60,514,960.55	50,105,473.47
b) Social security and expenditures	11,886,833.06	10,464,985.23
	<b>72,401,793.61</b>	<b>60,570,458.70</b>
Depreciation on intangible assets and on tangible assets	2,968,842.04	2,753,992.70
Other operating expenses	15,669,531.13	14,213,068.32
<b>Result from operating activities</b>	<b>6,956,545.98</b>	<b>7,394,909.64</b>
Other interest and similar income	112,180.99	66,050.39
Financial assets, accounted for using the equity method	-4,791.56	-14,785.62
Interest and similar expenses	433,434.00	410,241.27
Financial result	-326,044.57	-358,976.50
<b>Earnings before taxes</b>	<b>6,630,501.41</b>	<b>7,035,933.14</b>
Taxes on income and earnings	1,640,339.64	1,462,182.92
Net Income of the whole company	4,990,161.77	5,573,750.22
thereof attributed to non-controlling shareholders	0.00	0.00
thereof attributed to shareholders of parent company	4,990,161.77	5,573,750.22
Net earnings per share	0.19	0.21

## 10. Consolidated Statement of Comprehensive Income (IFRS, unaudited)

for the period from 1 January to 31 March 2017, GFT Technology SE

in €	Q1/2017	Q1/2016
<b>Net income of the whole company</b>	<b>4,990,161.77</b>	<b>5,573,750.22</b>
A.) Components never reclassified to the income statement		
Actuarial gains/losses	-8,360.80	27,015.91
Income taxes on components of other comprehensive income	2,268.75	-7,429.56
<b>Other (partial) result A.)</b>	<b>-6,092.05</b>	<b>19,586.35</b>
B.) Components that can be reclassified to the income statement		
Exchange differences on translating foreign operations:		
Profits/losses during the financial year	-202,038.41	-5,158,142.96
<b>Other (partial) result B.)</b>	<b>-202,038.41</b>	<b>-5,158,142.96</b>
Other result	-208,130.46	-5,138,556.61
<b>Total result</b>	<b>4,782,031.31</b>	<b>435,193.61</b>

## 11. Consolidated Statement of Changes in Equity (IFRS, unaudited)

as at 31 March 2017, GFT Technologies SE

	Subscribed capital	Capital reserve
<b>in €</b>		
<b>As at 1 January 2016</b>	<b>26,325,946.00</b>	<b>42,147,782.15</b>
Compounding of the conditional purchase price liability		
Comprehensice income for the period 01/01/ – 31/03/2016		
<b>As at 31 March 2016</b>	<b>26,325,946.00</b>	<b>42,147,782.15</b>
<b>As at 1 January 2017</b>	<b>26,325,946.00</b>	<b>42,147,782.15</b>
Compounding of the conditional purchase price liability		
Comprehensice income for the period 01/01/ – 31/03/2017		
<b>As at 31 March 2017</b>	<b>26,325,946.00</b>	<b>42,147,782.15</b>

<sup>1</sup> Net income

Retained earnings		Other results		Consolidated balance sheet profit/loss	Total
Other retained earnings	Changes without effect on profit/loss	Foreign currency translations	Actuarial gains/losses	Profit (+) Loss (-)	
22,243,349.97	-3,201,360.01	8,678,759.88	-2,727,351.59	30,980,236.76	124,447,363.16
	-116,946.21				-116,946.21
	0.00	-5,158,142.96	19,586.36	5,573,750.22 <sup>1</sup>	435,193.62
22,243,349.97	-3,318,306.22	3,520,616.92	-2,707,765.23	36,553,986.98	124,765,610.57
22,243,349.97	-20,296,182.84	2,215,605.09	-2,764,248.94	47,311,135.14	117,183,386.57
	-255,365.23				-255,365.23
22,243,349.97	-20,551,548.07	2,013,566.68	-2,770,340.99	52,301,296.91	4,782,031.31
					121,710,052.65

## 12. Consolidated Cash Flow Statement (IFRS, unaudited)

for the period from 1 January to 31 March 2017, GFT Technologies SE

in €	Q1/2017	Q1/2016
Net income	4,990,161.77	5,573,750.22
Taxes on income and earnings	1,640,339.64	1,462,182.92
Interest income	321,253.00	344,190.88
Interest paid	-216,409.73	-220,439.88
Income taxes paid	-795,247.27	-2,656,894.32
Depreciation on intangible and tangible assets	2,968,842.04	2,753,992.70
Changes in provisions	-220,064.74	-5,836,275.82
Other non-cash expenses/income	220,840.57	-287,789.58
Profit from the disposal of tangible and intangible assets as well as financial assets	998.10	-35,090.97
Changes in trade receivables	-9,637,786.38	-10,394,039.68
Changes in other assets	465,153.97	-2,171.75
Changes in trade payables and other liabilities	-16,686,457.66	-1,496,086.41
<b>Cash flow from operating activities</b>	<b>-16,948,376.69</b>	<b>-10,794,671.69</b>
 Cash receipts from sales of tangible assets	0.00	40,801.44
Cash payments to acquire tangible assets	-1,910,807.06	-1,202,309.14
Cash payments to acquire non-current intangible assets	-156,740.65	-125,564.41
Cash payments to acquire consolidated companies net of cash and cash equivalents acquired	-338,519.11	0.00
Interest received	28,662.76	24,975.01
<b>Cash flow from investing activities</b>	<b>-2,377,404.06</b>	<b>-1,262,097.10</b>
 Cash receipts from taking out short-term or long-term loans	1,128,355.96	9,367,061.62
Cash payments to redeem short-term or long-term loans	-93,367.41	-907,838.90
<b>Cash flow from financing activities</b>	<b>1,034,988.55</b>	<b>8,459,222.72</b>
 Influence of exchange rate fluctuations on cash and cash equivalents	130,420.36	-495,894.78
Change in cash funds from cash-relevant transactions	-18,160,371.84	-4,093,440.85
Cash funds at the beginning of the period	62,290,469.48	46,977,516.05
<b>Cash funds at the end of the period</b>	<b>44,130,097.64</b>	<b>42,884,075.20</b>



## 13. Information on Operating Segments (IFRS, unaudited)

Segment report for the period from 1 January to 31 March 2017

	GFT			
	Americas & UK		Continental Europe	
in € thsd.	Q1/2017	Q1/2016	Q1/2017	Q1/2016
External sales	54,864	51,177	56,075	46,045
Inter-segment sales	1,724	712	20,652	18,248
<b>Total revenues</b>	<b>56,588</b>	<b>51,889</b>	<b>76,727</b>	<b>64,293</b>
Scheduled depreciation and amortisation	-1,253	-1,089	-1,487	-1,450
Significant non-cash income/expenditure other than depreciation	98	0	67	241
Interest income	148	35	130	126
Interest expenses	-431	-383	-229	-198
Share of net profits of associated companies reported according to the equity method	0	0	0	0
<b>Segment result (EBT)</b>	<b>-2,286</b>	<b>1,073</b>	<b>8,450</b>	<b>4,650</b>

Total	Reconciliation		GFT Group	
Q1/2017	Q1/2016	Q1/2017	Q1/2016	Q1/2017
110,939	97,222	161	164	111,100
22,376	18,960	-22,376	-18,960	0
<b>133,315</b>	<b>116,182</b>	<b>-22,215</b>	<b>-18,796</b>	<b>111,100</b>
-2,740	-2,539	-228	-215	-2,968
165	241	-386	47	-221
278	161	-166	-95	112
-660	-581	227	171	-433
0	0	-5	-15	-5
<b>6,164</b>	<b>5,723</b>	<b>467</b>	<b>1,313</b>	<b>6,631</b>
				<b>7,036</b>

**GFT Technologies SE**  
**Investor Relations**  
**Jutta Stolp**  
**Schelmenwasenstrasse 34**  
**70567 Stuttgart**  
**Germany**

**T +49 711 62042-591**  
**F +49 711 62042-301**

**ir@gft.com**

**Imprint**

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**GFT Technologies SE, Stuttgart**  
**[www.gft.com](http://www.gft.com)**

**Concept and design**  
**sam waikiki, Hamburg**  
**[www.samwaikiki.de](http://www.samwaikiki.de)**

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