

# Quarterly Statement Q3/2019

GFT Technologies SE

7 November 2019

## Highlights in the first nine months 2019



- Client and sector diversification continued
- Dynamic revenue growth of 23% without top-2 clients\* (20% in H1/2019)
- Group revenue up slightly by 2% to €316.0 million
- Insurance business accounts for 11% and cloud business for 6% of total revenue
- Adjusted EBITDA (incl. IFRS 16) up by 21% to €34.8 million
- Expected burdens from restructuring and underutilisation
- FY 2019 guidance for revenue and earnings unchanged and confirmed

\* GFT's top-2 clients are Deutsche Bank and Barclays.

## Key figures



in €m	9M/2019	9M/2018	Δ%
<b>Revenue</b>	<b>315.95</b>	<b>309.07</b>	<b>2%</b>
Revenue w/o V-NEO & AXOOM	300.76	305.92	-2%
<b>EBITDA adjusted*</b>	<b>34.78</b>	<b>28.79</b>	<b>21%</b>
<b>EBITDA</b>	<b>32.20</b>	<b>28.03</b>	<b>15%</b>
<b>EBIT</b>	<b>14.30</b>	<b>18.51</b>	<b>-23%</b>
<b>EBT</b>	<b>12.34</b>	<b>16.92</b>	<b>-27%</b>
<b>Net income</b>	<b>10.08</b>	<b>16.61</b>	<b>-39%</b>
<b>Earnings per share (in €)</b>	<b>0.38</b>	<b>0.63</b>	<b>-39%</b>
<b>Earnings per share adjusted (in €)*</b>	<b>0.59</b>	<b>0.84</b>	<b>-30%</b>
<b>Employees (in FTE)</b>	<b>5,173</b>	<b>4,860</b>	<b>6%</b>

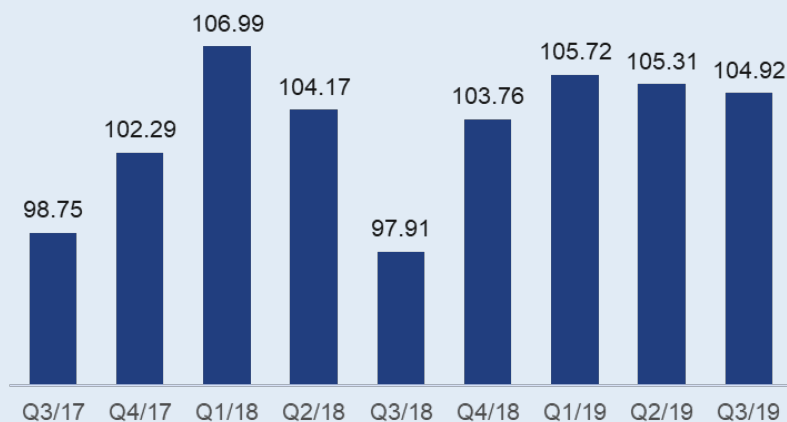
- **Revenue** up slightly by 2% (organic -2%), Revenue contribution of V-NEO (€14.6m) & AXOOM (€0.59m)
- Organic **revenue growth** in Q3/2019: 6%
- 21% increase in **adjusted EBITDA** mainly due to positive effects from IFRS 16 of €9.37m
- **EBITDA** burdened by M&A effects (V-NEO & AXOOM) of €-2.58m
- **EBIT** below prior-year level
- **EBT** burdened by:  
Restructuring charges of €-3.48m (9M/2018: €-0.55m)  
Currency effects of €-0.79m (9M/2018: €-0.87m)  
Underutilisation €-1.40m compared to 9M/2018

\* Adjusted for non-operational effects from M&A activities (EBITDA) plus applicable tax effects (Net income and EPS)

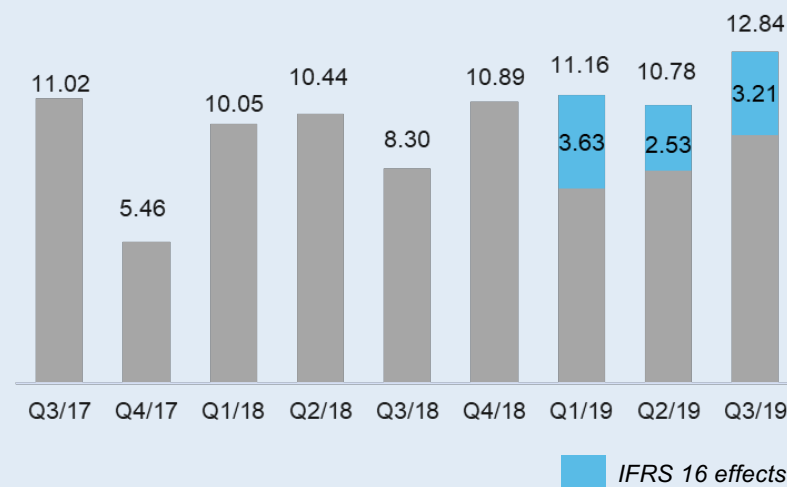
# Revenue and EBITDA adjusted by quarter (in €m)



Revenue



EBITDA\* adjusted



- Q3/2019 EBITDA adjusted with positive IFRS 16 effect of €+3.21m

\* Adjusted for non-operational effects from M&A activities

## Revenue by segment



in €m	Revenue		Growth rates			
	9M/2019	9M/2018	Organic	M&A	FX	Total
Americas & UK	147.30	137.10	-7%	9%	5%	7%
Continental Europe	168.24	171.54	-2%	0%	0%	-2%
Others	0.41	0.43	-4%	n/a	n/a	-4%
<b>GFT Group</b>	<b>315.95</b>	<b>309.07</b>	<b>-4%</b>	<b>4%</b>	<b>2%</b>	<b>2%</b>

- **Americas & UK:** expected weaker business with top-2 clients, positive development in Mexico, Brazil and Canada, revenue without top-2 clients up 47%
- **Continental Europe:** business with top-2 clients down as expected, above all in Germany; positive development in France especially in insurance business, revenue without top-2 clients up 7%
- **M&A effects:** as expected positive, dynamic development of V-NEO

## Revenue by segment



in €m		Revenue		Δ%
		9M 2019	9M 2018	9M 2019 / 9M 2018
Americas & UK	Top-2 Clients	45.35	67.90	-33%
	Other Clients	101.94	69.21	47%
	Total	147.30	137.10	7%
Continental Europe	Top-2 Clients	49.09	60.28	-19%
	Other Clients	119.16	111.26	7%
	Total	168.25	171.54	-2%
<b>GFT Group</b>	<b>Top-2 Clients</b>	<b>94.44</b>	<b>128.18</b>	<b>-26%</b>
	<b>Other Clients</b>	<b>221.10</b>	<b>180.46</b>	<b>23%</b>
	<b>Total</b>	<b>315.54</b>	<b>308.64</b>	<b>2%</b>

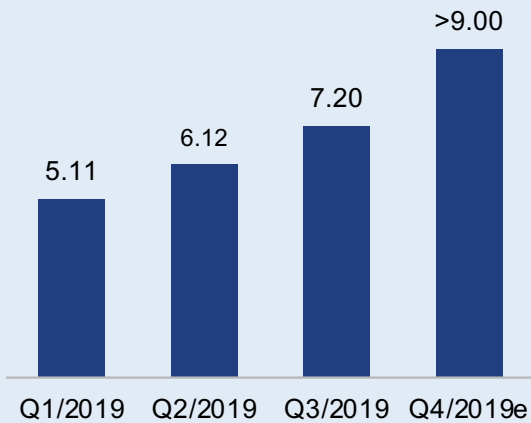
\* Excluding segment "Others"

- 26% decrease in revenue with **top-2 clients** within expected range; decline is particularly strong in the UK (Americas & UK segment) and Germany (Continental Europe segment)
- Business with other clients up 23% with dynamic growth in Americas & UK (+47%) and positive trend over the course of 2019 in Continental Europe (Q1/2019: -1%, H1/2019: +2%, 9M/2019: +7%)

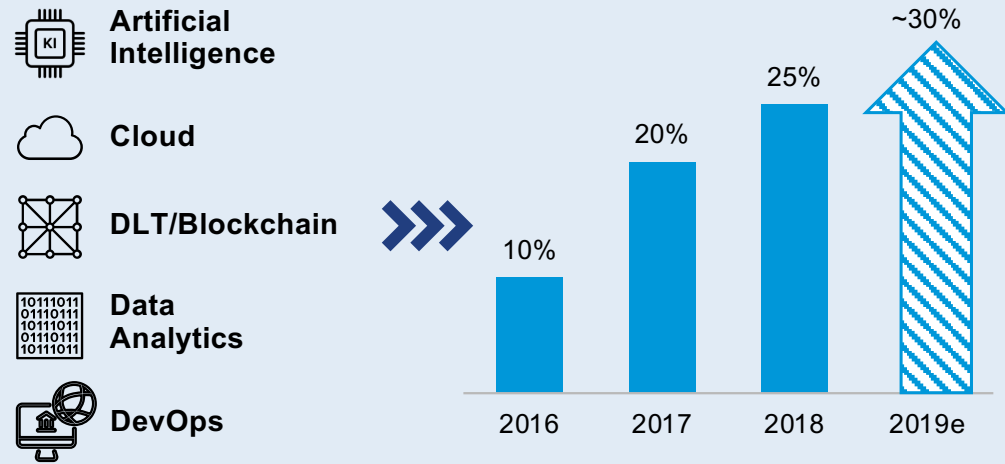
# Strong growth in cloud business



Cloud Business 2019 (Revenue in €m)



Growth Driver: Exponential Technologies



- Steady increase in growth momentum of cloud business, already reaching ~6% revenue share in 9M/2019
- Internal target of €20m for 2019 almost achieved after just 9 months

## EBITDA adjusted, EBITDA and EBT by segment



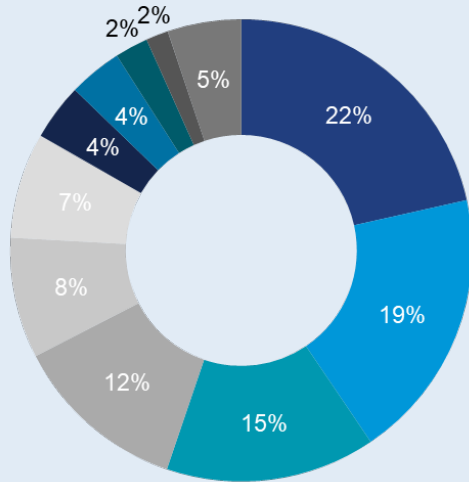
in €m	EBITDA adjusted*			EBITDA			EBT		
	9M/2019	9M/2018	Δ%	9M/2019	9M/2018	Δ%	9M/2019	9M/2018	Δ%
Americas & UK	9.91	9.36	6%	7.67	8.60	-11%	2.13	3.90	-45%
Continental Europe	26.58	18.96	40%	26.24	18.96	38%	12.52	13.02	-4%
Others	-1.71	0.47	< -100%	-1.71	0.47	< -100%	-2.31	0.00	>100%
<b>GFT Group</b>	<b>34.78</b>	<b>28.79</b>	<b>21%</b>	<b>32.20</b>	<b>28.03</b>	<b>15%</b>	<b>12.34</b>	<b>16.92</b>	<b>-27%</b>

\* Adjusted for non-operational effects from M&A activities

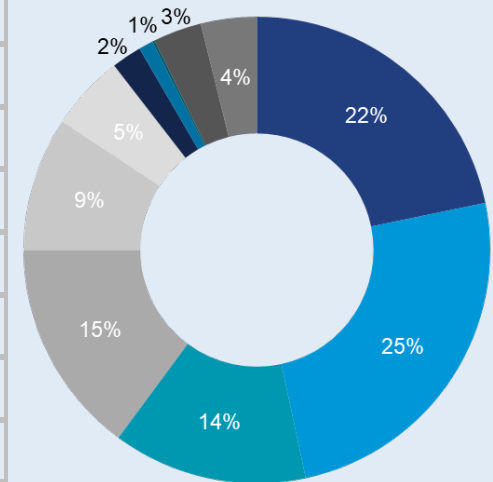
- **Americas & UK:** earnings burdened by falling revenue share of top-2 clients and higher sales expenses for other clients, positive effects from Brazil and Mexico
- **Continental Europe:** restructuring expenses and underutilisation in the first nine months, expected weaker trend with top-2 clients in Germany



# Revenue by country (in €m)



9M/2019		Δ%	9M/2018
67.95	Spain	0%	67.91
60.12	United Kingdom	-23%	77.68
46.41	Italy	10%	42.10
38.61	Germany	-17%	46.44
26.66	USA	-8%	28.97
23.35	Brazil	43%	16.35
12.47	Mexico	92%	6.48
11.79	Canada	>100%	3.11
7.36	France	>100%	0.56
4.94	Switzerland	-33%	7.37
16.29	Others	35%	12.10
315.95	<b>Total</b>	<b>2%</b>	<b>309.07</b>



# 30 biggest clients 9M/2019



## Capital Markets



## Retail Banking



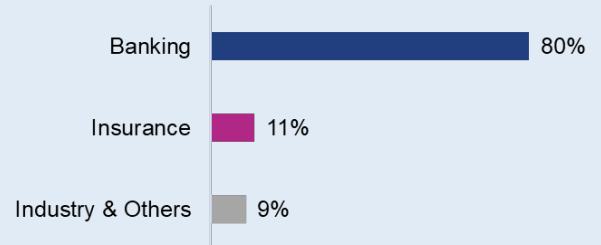
## Insurance



## Industry & Others



### Revenue by sector



## Detailed profit & loss statement

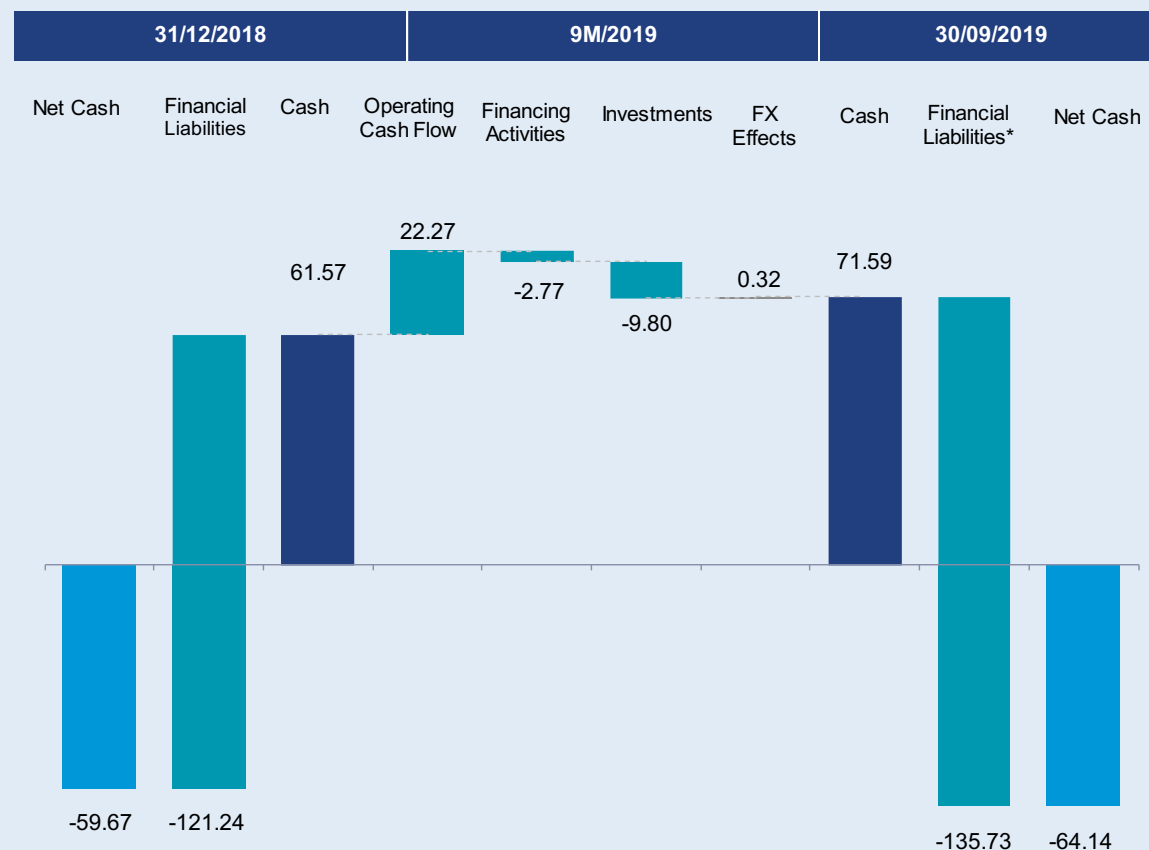


in €m	9M/2019	9M/2018	Δ%
<b>Revenue</b>	<b>315.95</b>	<b>309.07</b>	<b>2%</b>
Other operating income	6.31	5.46	16%
Cost of purchased services	-35.22	-41.34	-15%
Personnel expenses	-219.11	-199.59	10%
Other operating expenses*	-35.73	-45.57	-22%
<b>EBITDA</b>	<b>32.20</b>	<b>28.03</b>	<b>15%</b>
Depreciation and amortisation	-17.90	-9.52	88%
<b>EBIT</b>	<b>14.30</b>	<b>18.51</b>	<b>-23%</b>
Interest and similar expenses/income	-1.96	-1.59	23%
<b>EBT</b>	<b>12.34</b>	<b>16.92</b>	<b>-27%</b>
Income taxes	-2.26	-0.31	629%
<b>Net income</b>	<b>10.08</b>	<b>16.61</b>	<b>-39%</b>
Earnings per share - basic	0.38	0.63	-39%

\* Including result of investments accounted for using the equity method

- **Revenue** trend in line with expectations
- **Cost of purchased services** to revenue ratio down to 11% (9M/2018: 13%)
- Increased **personnel expenses** due to higher average headcount, capacity adjustments and reduced purchases of external services. Ratio of personnel expenses (excluding capacity adjustments plus purchased services) to revenue at 79% (9M/2018: 78%)
- **Other operating expenses** adjusted for positive effects from first-time application of IFRS 16 of €9.37m more or less at prior-year level
- **EBITDA** without positive IFRS 16 effects down by 19%
- IFRS 16 accounts for €8.55m of increase in **depreciation and amortisation**
- **Net income** burdened by increased income taxes. Rise in tax rate to 18% (9M/2018: 2%) due to lower aperiodic income

# Cash flow analysis (in €m)



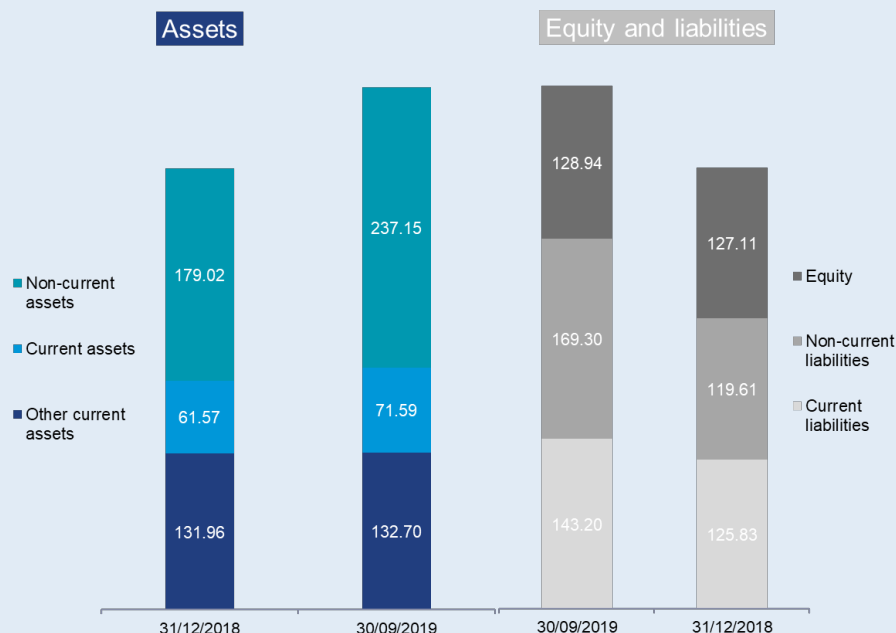
- **Financing structure remains solid.** Credit facilities not yet drawn of €32.09m (31.12.2018: €37.05m). Net cash at €-64.14m (31.12.2018: €-59.67m)
- Increase in **cash** to €71.59m (31.12.2018: €61.57m)
- **Operating cash flow** adjusted for IFRS 16 effects below prior-year level due to general business development and working capital effects
- **Cash flow from financing activities** adjusted for negative IFRS 16 effects influenced by net borrowing of €14.49m (9M/2018: €20.85m) as well as dividend payment of €7.90m (9M/2018: €7.90m)
- **Cash flow from investing activities** mainly shaped by cash outflows of €5.53m for the purchase of GFT Smart Technology Solutions GmbH (formerly: AXOOM GmbH)

\* Financial liabilities according to balance sheet disclosure, thus without lease liabilities under IFRS 16

# Balance sheet (in €m)

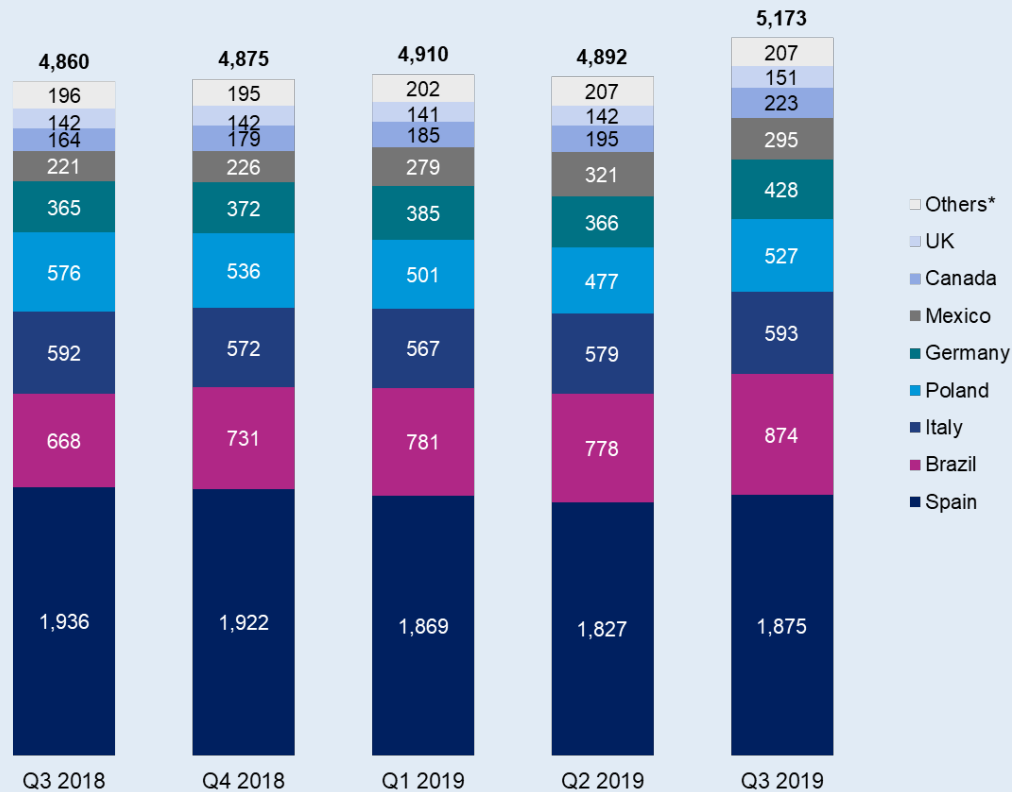


- Growth in **balance sheet total** of €68.89m mainly due to change in lessee accounting acc. to IFRS 16
- Rise in **non-current assets** of €58.13m due to right-of-use assets of €58.52m capitalised acc. to IFRS 16. Non-current assets account for 54% of balance sheet total (31.12.2018: 48%)
- **Cash and cash equivalents** up 16% as a result of closing-date effects
- Rise in receivables and contract assets of €4.09m within **other current assets** reflects positive growth trend



- **Equity** at prior-year level due to currency effects. Negative transitional effects of €2.34m from first-time application of IFRS 16. Equity ratio of 29% (31.12.2018: 34%), adjusted for IFRS 16 effects still at 34%
- Rise in **non-current liabilities** due to lease liabilities acc. to IFRS 16 of €50.43m
- Increase in **current liabilities** mainly due to lease liabilities acc. to IFRS 16 (€10.91m) and bank borrowing (€15.30m). Opposing closing-date effects from decrease in trade payables (€7.10m) and contract liabilities (€6.78m).

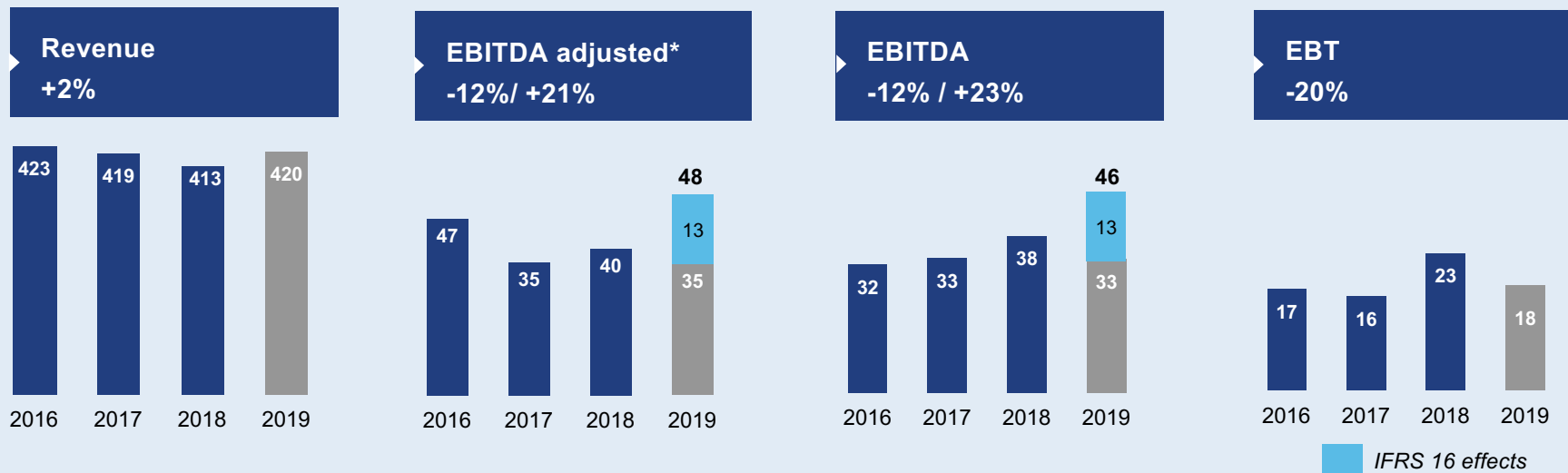
# Employees by country (FTE)



- Increase in Group headcount compared to 30/09/2018 due to AXOOM acquisition (72 employees) and staff expansion esp. in Mexico and Brazil
- Slight decline in headcount in Spain and Poland
- 116 employees involved in corporate functions (9M/2018: 120)
- Utilisation rate of 89% at prior-year level (9M/2018: 89%)

\*Others: Costa Rica, Switzerland, USA, Belgium, France

# Outlook FY 2019 (in €m)



## Guidance for FY 2019 unchanged and confirmed

- Revenue**
  - Decrease in revenue with top-2 clients of around 30%
  - Further success in sector and client diversification: revenue growth without top-2 clients of over 20% and insurance business to account for over 10% of revenue
- Earnings**
  - Earnings burdened by restructuring charges and underutilisation in connection with top-2 clients, as well as permanently increased sales expenses for client diversification. Details of IFRS 16 effects are provided in the backup

\* Adjusted for non-operational effects from M&A activities

## Outlook: Revenue for top-2 clients in FY 2019e\*



in €m		Revenue			Δ%	
		2019e	2018	2017	2019/2018	2019/2017
Americas & UK	Top-2 clients	56.00	84.79	114.34	-34%	-51%
	Other clients	135.00	98.66	81.05	37%	67%
Continental Europe	Top-2 clients	58.00	79.56	76.34	-27%	-24%
	Other clients	171.00	149.32	146.15	15%	17%
<b>GFT Group</b>	<b>Top-2 clients</b>	<b>114.00</b>	<b>164.35</b>	<b>190.68</b>	<b>-31%</b>	<b>-40%</b>
	<b>Other clients</b>	<b>306.00</b>	<b>247.97</b>	<b>227.20</b>	<b>23%</b>	<b>35%</b>
	<b>Total</b>	<b>420.00</b>	<b>412.32</b>	<b>417.88</b>	<b>2%</b>	<b>1%</b>

\* Excluding segment "Others"



# Backup

## Results at a glance per quarter



in €m	Q1/2018	Q2/2018	Q3/2018	Q4/2018	FY 2018	Q1/2019	Q2/2019	Q3/2019
<b>Revenue</b>	106.99	104.17	97.91	103.76	412.83	105.72	105.31	104.92
EBITDA adjusted*	10.05	10.44	8.30	10.89	39.68	11.16	10.78	12.84
<b>EBITDA</b>	10.05	10.07	7.91	9.42	37.45	10.28	9.94	11.98
<b>EBIT</b>	6.87	6.92	4.72	6.21	24.72	3.87	4.48	5.95
<b>EBT</b>	6.24	6.29	4.39	5.72	22.64	3.18	3.97	5.19
<b>Net income</b>	4.69	7.10	4.82	3.37	19.98	2.71	3.36	4.01
Net income adjusted*	6.37	8.95	6.76	6.49	28.57	4.55	5.17	5.70
Earnings per share adj. (in €)*	0.24	0.34	0.26	0.25	1.09	0.17	0.20	0.22
<b>Earnings per share (in €)</b>	0.18	0.27	0.18	0.13	0.76	0.10	0.13	0.15
<b>Employees (in FTE)</b>	4,735	4,697	4,860	4,875	4,875	4,910	4,892	5,173

\* Adjusted for non-operational effects from M&A activities (EBITDA) plus applicable tax effects (Net Income and EPS)

## Split of operative and M&A Effects



in €m	9M/2019				9M/2018			
	GFT stand alone	V-NEO	Axoom	GFT Total	GFT stand alone	DPR	V-NEO	GFT Total
<b>EBITDA adjusted</b>	<b>30.91</b>	<b>3.46</b>	<b>0.41</b>	<b>34.78</b>	<b>28.22</b>	<b>0.00</b>	<b>0.56</b>	<b>28.79</b>
M&A earn-out & retention	0.00	-2.11	0.00	-2.11	0.00	0.00	-0.15	-0.15
M&A consult & integrate	0.00	0.00	-0.13	-0.13	0.00	0.00	-0.47	-0.47
M&A amortisation orderbook	0.00	-0.13	-0.21	-0.34	0.00	0.00	-0.14	-0.14
<b>EBITDA</b>	<b>30.91</b>	<b>1.22</b>	<b>0.07</b>	<b>32.20</b>	<b>28.22</b>	<b>0.00</b>	<b>-0.20</b>	<b>28.03</b>
Depreciation & amortisation	-14.58	-0.04	-0.06	-14.68	-5.37	0.00	0.00	-5.37
M&A amortisation	-2.05	-1.17	0.00	-3.22	-3.89	0.00	-0.25	-4.15
<b>EBIT</b>	<b>14.28</b>	<b>0.01</b>	<b>0.01</b>	<b>14.30</b>	<b>18.96</b>	<b>0.00</b>	<b>-0.45</b>	<b>18.51</b>
Interest	-1.69	-0.27	-0.01	-1.96	-1.00	0.00	-0.03	-1.04
M&A interest	0.00	0.00	0.00	0.00	0.00	-0.56	0.00	-0.56
<b>EBT</b>	<b>12.60</b>	<b>-0.26</b>	<b>0.00</b>	<b>12.34</b>	<b>17.96</b>	<b>-0.56</b>	<b>-0.48</b>	<b>16.92</b>
Income taxes	-2.29	0.03	0.00	-2.26	-0.39	0.00	0.08	-0.31
<b>Net income</b>	<b>10.31</b>	<b>-0.23</b>	<b>0.00</b>	<b>10.08</b>	<b>17.57</b>	<b>-0.56</b>	<b>-0.40</b>	<b>16.61</b>
<b>Net income adjusted</b>	<b>12.35</b>	<b>2.77</b>	<b>0.30</b>	<b>15.42</b>	<b>21.46</b>	<b>0.00</b>	<b>0.61</b>	<b>22.08</b>
Shares outstanding (m.)	26.33	26.33	26.33	26.33	26.33	26.33	26.33	26.33
EPS basic (€)	0.39	-0.01	0.00	0.38	0.67	-0.02	-0.02	0.63
EPS adjusted (€)	0.47	0.11	0.01	0.59	0.82	0.00	0.02	0.84

## Effects after initial application of IFRS 16



in €m	9M/2019			2019 expected		
	after IFRS 16	Adjustment	befor IFRS 16	after IFRS 16	Adjustment	befor IFRS 16
EBITDA adjusted	34.78	9.37	25.42	approx. 48	approx. 13	approx. 35
EBITDA	32.20	9.37	22.84	approx. 46	approx. 13	approx. 33
EBIT	14.30	0.81	13.49	approx. 21	approx. 1	approx. 20
EBT	12.34	-0.07	12.41	approx. 18	approx. 0	approx. 18

# Consolidated Income Statement



in €	9M/2019	9M/2018 <sup>1</sup>	Δ%
Revenue	315,952,133.84	309,067,866.55	2%
Other operating income	6,313,812.45	5,455,794.64 <sup>2</sup>	16%
	322,265,946.28	314,523,661.19 <sup>2</sup>	2%
Cost of purchased services	35,224,412.84	41,338,135.85	-15%
Personnel expenses			
Wages and salaries	184,464,538.71	164,488,805.42	12%
Social security contributions and expenditures	34,640,609.09	35,100,758.11	-1%
	219,105,147.80	199,589,563.53	10%
Depreciation and amortisation of intangible assets and property, plant and equipment	17,902,231.34	9,514,828.09	88%
Other operating expenses	35,732,777.75	45,493,255.27 <sup>2</sup>	-21%
<b>Result from operating activities</b>	<b>14,301,376.55</b>	<b>18,587,878.45</b>	<b>-23%</b>
Other interest and similar income	464,133.22	142,570.53	226%
Result of investments accounted for using the equity method	0.00	-75,000.00	-100%
Interest and similar expenses	2,426,695.04	1,735,528.86	40%
<b>Financial result</b>	<b>-1,962,561.81</b>	<b>-1,667,958.33</b>	<b>18%</b>
<b>Earnings before taxes</b>	<b>12,338,814.74</b>	<b>16,919,920.12</b>	<b>-27%</b>
Income taxes	2,259,589.85	308,829.84	632%
<b>Net income for the period</b>	<b>10,079,224.89</b>	<b>16,611,090.28</b>	<b>-39%</b>
Earnings per share – basic	0.38	0.63	-39%

<sup>1</sup> The GFT Group has initially applied IFRS 16 at 1 January 2019. Under the modified retrospective transition method chosen, comparative information is not restated.

<sup>2</sup> Adjusted, refer to note 2.2 of the condensed half-year consolidated financial statements for the period from 1 January to 30 June 2019

# Consolidated Cash Flow Statement



in €	9M/2019	9M/2018 <sup>1</sup>	Δ
Net income for the period	10,079,224.89	16,611,090.28	-6,531,865.39
Income taxes	2,259,589.85	308,829.83	1,950,760.02
Interest income	1,962,561.80	1,592,958.06	369,603.74
Interest paid	-758,469.17	-580,087.69	-178,381.48
Interest received	233,173.59	108,397.22	124,776.37
Income taxes paid	-850,277.19	1,829,346.19	-2,679,623.38
Depreciation and amortisation of intangible assets and property, plant and equipment	17,902,231.34	9,514,828.09	8,387,403.25
Changes in provisions	-755,775.21	-2,260,392.48	1,504,617.27
Other non-cash expenses and income	360,731.72	-962,220.84	1,322,952.56
Net proceeds on disposal of intangible assets and property, plant and equipment	12,066.64	56,921.15	-44,854.51
Changes in contract assets	-18,922,257.39	-17,251,121.95	-1,671,135.44
Changes in trade receivables	13,891,675.48	18,615,516.96	-4,723,841.48
Changes in other assets	4,608,924.30	-355,286.71	4,964,211.01
Changes in contract liabilities	-6,775,441.51	-3,806,530.03	-2,968,911.48
Changes in trade payables and other liabilities	-978,757.59	-8,281,636.23	7,302,878.64
<b>Cash flow from operating activities</b>	<b>22,269,201.55</b>	<b>15,140,611.85</b>	<b>7,128,589.70</b>
Proceeds from disposal of property, plant and equipment	5,830.67	25,886.86	-20,056.19
Capital expenditure for intangible assets	-1,722,485.95	-1,358,422.65	-364,063.30
Capital expenditure for property, plant and equipment	-2,544,664.79	-2,332,654.36	-212,010.43
Cash outflows for acquisitions of consolidated companies net of cash and cash equivalents acquired	-5,533,891.88	-48,487,252.06	42,953,360.18
<b>Cash flow from investing activities</b>	<b>-9,795,211.96</b>	<b>-52,152,442.21</b>	<b>42,357,230.25</b>
Proceeds from borrowing	14,712,133.92	26,064,649.25	-11,352,515.33
Cash outflows from loan repayments	-223,704.02	-5,218,561.89	4,994,857.87
Cash outflows from repayment of lease liabilities	-9,365,254.53	0.00	-9,365,254.53
Dividends to shareholders	-7,897,783.80	-7,897,783.80	0.00
Dividends to non-controlling interests	0.00	-3,350,591.37	3,350,591.37
<b>Cash flow from financing activities</b>	<b>-2,774,608.43</b>	<b>9,597,712.19</b>	<b>-12,372,320.62</b>
Effect of foreign exchange rate changes on cash and cash equivalents	320,930.01	-123,343.71	444,273.72
Net increase in cash and cash equivalents	10,020,311.18	-27,537,461.88	37,557,773.06
Cash and cash equivalents at beginning of period	61,569,726.64	72,246,225.54	-10,676,498.90
<b>Cash and cash equivalents at end of period</b>	<b>71,590,037.82</b>	<b>44,708,763.66</b>	<b>26,881,274.16</b>

<sup>1</sup> The GFT Group has initially applied IFRS 16 at 1 January 2019. Under the modified retrospective transition method chosen, comparative information is not restated.

# Consolidated Balance Sheet



<b>Assets</b>			
in €	<b>30.09.2019</b>	<b>31.12.2018</b> <sup>1</sup>	<b>Δ%</b>
<b>Non-current assets</b>			
Goodwill	116,917,053.08	112,994,212.45	3%
Other intangible assets	23,624,787.33	26,697,279.93	-12%
Property, plant and equipment	84,201,832.13	26,585,119.74	217%
Other financial assets	1,802,515.61	754,985.33	139%
Tax assets	16,085.54	1,037,926.35	-98%
Deferred tax assets	9,332,175.65	8,152,157.82	14%
Other assets	1,253,320.88	2,798,337.65	-55%
	<b>237,147,770.22</b>	<b>179,020,019.27</b>	<b>32%</b>
<b>Current assets</b>			
Inventories	74,815.00	159,549.22	-53%
Trade receivables	80,309,863.11	95,390,886.70	-16%
Contract assets	33,249,989.77	14,083,478.02	136%
Cash and cash equivalents	71,590,037.82	61,569,726.64	16%
Other financial assets	3,888,035.82	1,068,826.39	264%
Tax assets	4,594,474.43	6,756,612.89	-32%
Other assets	10,582,468.25	14,502,998.57	-27%
	<b>204,289,684.20</b>	<b>193,532,078.43</b>	<b>6%</b>
	<b>441,437,454.42</b>	<b>372,552,097.70</b>	<b>18%</b>

<b>Equity and liabilities</b>			
in €	<b>30.09.2019</b>	<b>31.12.2018</b> <sup>1</sup>	<b>Δ%</b>
<b>Shareholders' equity</b>			
Share capital	26,325,946.00	26,325,946.00	0%
Capital reserve	42,147,782.15	42,147,782.15	0%
Retained earnings			
Other retained earnings	22,243,349.97	22,243,349.97	0%
Changes not affecting net income	-5,550,591.36	-5,550,591.36	0%
Other comprehensive income			
Actuarial gains/losses	-1,486,218.69	-1,459,016.99	2%
Currency translation differences	-4,886,321.97	-6,903,723.71	-29%
Consolidated net profit	50,148,886.35	50,310,524.61	0%
	<b>128,942,832.45</b>	<b>127,114,270.67</b>	<b>1%</b>
<b>Non-current liabilities</b>			
Financial liabilities	105,131,247.26	105,944,626.79	
Other financial liabilities	50,433,952.80	0.00	-
Provisions for pensions	7,498,168.23	6,952,004.11	8%
Other provisions	2,024,683.24	1,694,524.00	19%
Deferred tax liabilities	4,209,331.08	5,017,851.70	-16%
	<b>169,297,382.61</b>	<b>119,609,006.60</b>	<b>42%</b>
<b>Current liabilities</b>			
Trade payables	6,599,259.87	13,701,878.77	-52%
Financial liabilities	30,601,025.92	15,299,216.49	100%
Other financial liabilities	21,912,455.65	3,197,493.83	585%
Other provisions	34,685,050.11	35,895,512.80	-3%
Tax liabilities	3,731,704.28	3,471,409.54	7%
Contract liabilities	25,802,508.62	32,577,950.12	-21%
Other liabilities	19,865,234.90	21,685,358.88	-8%
	<b>143,197,239.35</b>	<b>125,828,820.43</b>	<b>14%</b>
	<b>441,437,454.42</b>	<b>372,552,097.70</b>	<b>18%</b>

<sup>1</sup> The GFT Group has initially applied IFRS 16 at 1 January 2019. Under the modified retrospective transition method chosen, comparative information is not restated.

# Consolidated Statement of Comprehensive Income



in €	9M/2019	9M/2018 <sup>1</sup>	Δ%
<b>Net income for the period</b>	<b>10,079,224.89</b>	<b>16,611,090.28</b>	<b>-39%</b>
Items that will not be reclassified to the income statement			
Actuarial gains/losses	-33,479.02	-80,807.96	< -100%
Income taxes on items in the other comprehensive income	6,277.32	17,776.31	-65%
Items that may be reclassified to the income statement			
Currency translation of net investments in foreign business operations	-1,290,361.74	-538,035.53	< -100%
Gains/losses from currency translation of foreign subsidiaries	3,307,763.48	1,029.46	>100%
Other comprehensive income	1,990,200.04	-600,037.72	>100%
<b>Total comprehensive income</b>	<b>12,069,424.93</b>	<b>16,011,052.56</b>	<b>-25%</b>

<sup>1</sup> The GFT Group has initially applied IFRS 16 at 1 January 2019. Under the modified retrospective transition method chosen, comparative information is not restated.



# Consolidated Statement of Changes in Equity

	Share capital	Capital reserve	Other retained earnings	Changes not affecting net income	Actuarial gains/losses	Currency translation differences	Consolidated net profit/loss	Total equity
in €								
<b>Balance at 1 January 2018 1</b>	<b>26,325,946.00</b>	<b>42,147,782.15</b>	<b>22,243,349.97</b>	<b>-5,130,993.24</b>	<b>-2,670,281.68</b>	<b>-6,010,354.83</b>	<b>38,416,773.14</b>	<b>115,322,221.51</b>
Effects from the initial application of IFRS 9	0.00	0.00	0.00	0.00	0.00	0.00	-184,049.66	-184,049.66
<b>Adjusted balance at 1 January 2018</b>	<b>26,325,946.00</b>	<b>42,147,782.15</b>	<b>22,243,349.97</b>	<b>-5,130,993.24</b>	<b>-2,670,281.68</b>	<b>-6,010,354.83</b>	<b>38,232,723.48</b>	<b>115,138,171.85</b>
Dividends to shareholders	0.00	0.00	0.00	0.00	0.00	0.00	-7,897,783.80	-7,897,783.80
Dividends to non-controlling interests	0.00	0.00	0.00	-419,598.12	0.00	0.00	0.00	-419,598.12
Total comprehensive income for the period 1	0.00	0.00	0.00	0.00	-63,031.65	-537,006.07	16,611,090.28 <sup>2</sup>	16,011,052.56
<b>Balance at 30 September 2018</b>	<b>26,325,946.00</b>	<b>42,147,782.15</b>	<b>22,243,349.97</b>	<b>-5,550,591.36</b>	<b>-2,733,313.33</b>	<b>-6,547,360.90</b>	<b>46,946,029.96</b>	<b>122,831,842.49</b>
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Balance at 1 January 2019 3</b>	<b>26,325,946.00</b>	<b>42,147,782.15</b>	<b>22,243,349.97</b>	<b>-5,550,591.36</b>	<b>-1,459,016.99</b>	<b>-6,903,723.71</b>	<b>50,310,524.61</b>	<b>127,114,270.67</b>
Effects from the initial application of IFRS 16	0.00	0.00	0.00	0.00	0.00	0.00	-2,343,079.35	-2,343,079.35
<b>Adjusted balance at 1 January 2019</b>	<b>26,325,946.00</b>	<b>42,147,782.15</b>	<b>22,243,349.97</b>	<b>-5,550,591.36</b>	<b>-1,459,016.99</b>	<b>-6,903,723.71</b>	<b>47,967,445.26</b>	<b>124,771,191.32</b>
Dividends to shareholders	0.00	0.00	0.00	0.00	0.00	0.00	-7,897,783.80	-7,897,783.80
Total comprehensive income for the period 1	0.00	0.00	0.00	0.00	-27,201.70	2,017,401.74	10,079,224.89 <sup>2</sup>	12,069,424.93
<b>Balance at 30 September 2019</b>	<b>26,325,946.00</b>	<b>42,147,782.15</b>	<b>22,243,349.97</b>	<b>-5,550,591.36</b>	<b>-1,486,218.69</b>	<b>-4,886,321.97</b>	<b>50,148,886.35</b>	<b>128,942,832.45</b>

1 The GFT Group has initially applied IFRS 9 and IFRS 15 at 1 January 2018. Under the modified retrospective transition method chosen, comparative information is not restated.

2 Net income for the period

3 The GFT Group has initially applied IFRS 16 at 1 January 2019. Under the modified retrospective transition method chosen, comparative information is not restated.

# Segment report



in €T	GFT Group				Total	Reconciliation		GFT Group		
	Americas & UK		Continental Europe			9M/2019	9M/2018 <sup>1</sup>	9M/2019	9M/2018 <sup>1</sup>	
	9M/2019	9M/2018 <sup>1</sup>	9M/2019	9M/2018 <sup>1</sup>						
External revenue	147,296	137,102	168,246	171,538	315,542	308,640	410	428	315,952	309,068
Inter-segment revenue	3,336	2,132	44,259	49,624	47,594	51,756	-47,594	-51,756	0	0
<b>Total revenue</b>	<b>150,632</b>	<b>139,234</b>	<b>212,505</b>	<b>221,162</b>	<b>363,136</b>	<b>360,396</b>	<b>-47,184</b>	<b>-51,328</b>	<b>315,952</b>	<b>309,068</b>
Scheduled depreciation and amortisation	-4,373	-3,808	-12,768	-5,077	-17,140	-8,885	-762	-630	-17,902	-9,515
Other material non-cash items	667	-462	-5	-53	662	-515	-1,023	1,477	-361	962
Interest income	445	133	112	340	558	473	-93	-330	464	143
Interest expenses	-1,607	-1,024	-1,069	-1,195	-2,676	-2,219	251	485	-2,427	-1,735
<b>Segment result (EBT)</b>	<b>2,133</b>	<b>3,901</b>	<b>12,519</b>	<b>13,021</b>	<b>14,652</b>	<b>16,922</b>	<b>-2,314</b>	<b>-2</b>	<b>12,338</b>	<b>16,920</b>

<sup>1</sup> The GFT Group has initially applied IFRS 16 at 1 January 2019. Under the modified retrospective transition method chosen, comparative information is not restated.

# Shaping the future of digital business

GFT Technologies SE

Dr Jochen Ruetz  
CFO

Schelmenwasenstraße 34  
70567 Stuttgart

T +49 711 62042-422

[jochen.ruetz@gft.com](mailto:jochen.ruetz@gft.com)

GFT Technologies SE

Jens Hecht, CFA (external)  
Investor Relations

Schelmenwasenstraße 34  
70567 Stuttgart

T +49 711 62042-323

[ir@gft.com](mailto:ir@gft.com)