

DATAGROUP with strong revenue growth and top ranking in customer satisfaction

Figures for Q1 2015/2016 (01.10.-31.12.2015)

Revenues up 7% to EUR 41.6m

Continued intensified focus on services

Comparative study sees DATAGROUP among Top 3 in customer satisfaction in Germany

Pliezhausen, February 29, 2016. DATAGROUP AG (WKN A0JC8S) today publishes Q1 figures for FY 2015/2016 (01.10.-31.12.2015). Revenues surged. Service business has been heavily expanded; the share of services in revenue has grown again. DATAGROUP ranks among the top group of IT outsourcers in customer satisfaction in Germany as an independent comparative study confirms.

In Q1 2015/2016, DATAGROUP has increased its revenues significantly to EUR 41.6m (previous year EUR 38.9m, +7%). Particularly in its core business of IT services, the company's result improved disproportionately. Revenues here climbed by 15% to EUR 32.6m (previous year EUR 28.4m). The share of services in revenue amounted to 79% (previous year 73%). The gross profit margin was up from 62.5% in the previous year to 66.1% in the current fiscal year. The equity ratio has improved further during Q1 from 23.3% to 24.2%, net debt has been reduced according to plan from EUR 28.2m to EUR 27.2m.

'In fiscal 2015/2016, we will again place the company on a higher growth path than in the previous years', comments Max H.-H. Schaber, CEO of DATAGROUP AG. 'We are focusing on the core business of high-margin services which has helped us to significantly increase the gross profit margin in Q1. At the same time, we are pushing ahead with several projects of the strategic corporate development, for instance the integration of DATAGROUP Vega. We are also very active in terms of mergers and acquisitions. This will temporarily lead to higher expenses, for external consulting services, among others, in the first quarters of the current fiscal year.'

Earnings before interest, taxes, depreciation and amortisation (EBITDA) were slightly lower in Q1, totalling EUR 2.5m in Q1 (previous year EUR 3.1m, -20%). The EBITDA margin reached 5.9% (previous year 7.9%). Earnings before interest and taxes (EBIT) of TEUR 907 were also lower yoy (previous year TEUR 1,650, -45%). Earnings per share stood at 5 cents (previous year 10 cents).

'The previous year's quarter was driven by high six-digit earnings caused by the one-off release of provisions, which will not materialise to this extent in the current year', says DATAGROUP CEO Max H.-H. Schaber. 'Additionally, we made major one-off investments in the long-term corporate development in Q1 2015/2016. We were able to confirm the very good previous year's operating result in the first quarter which traditionally is rather weak. Therefore, we are very satisfied overall with the quarterly results and remain fully on track on an annualised basis.' The guidance for the fiscal year will traditionally be announced by the management board at the Annual General Meeting on March 17, 2016.

DATAGROUP is among the Top 3 in customer satisfaction in Germany

DATAGROUP had a very good start to the new fiscal year in terms of sales and has gained several large Mittelstand companies as new customers for long-term Cloud and outsourcing contracts. High customer satisfaction is a key selling point for the IT service provider.

DATAGROUP ranks third here among the 22 leading IT outsourcers which positions the company in the top group in Germany. These are the findings of the recently published 'IT Outsourcing Study Germany / Austria 2015' conducted by well-known market researcher Whitelane Research.

A total of 22 leading international and Mittelstand IT service providers were rated by their customers for this independent comparative study. DATAGROUP has been considered in the ranking for the first time and achieved third place straightaway. With a general customer satisfaction of 80% the IT service provider is well above the average of 70% and far ahead of major players in the sector such as IBM, Infosys and Atos. In important detail categories, e.g. quality in service delivery, flexibility and account management, DATAGROUP also achieved a customer satisfaction that well exceeds the average.

'We are very proud of this excellent result', says Dirk Peters, COO of DATAGROUP AG. 'It proves that we are close to our customers and provide the right answers to their questions. High customer satisfaction is a prerequisite for our success and therefore is an integral part of our vision and future strategy DATAGROUP 2020. The study confirms that we are on the right path regarding the implementation of our vision.' Further information on the study: www.whitelane.com.

About DATAGROUP:

DATAGROUP is a leading German IT service company. Over 1,400 employees at 16 locations across Germany design, implement, and operate IT infrastructure and business applications such as SAP. With its product CORBOX, DATAGROUP is a full-service provider, serving over 330,000 global IT workstations for medium and large enterprises as well as for public-sector clients. In other words: 'We manage IT'. The company is growing organically and through acquisitions. The acquisition strategy is particularly noted for its optimal integration of the new companies. DATAGROUP is actively participating in the IT service market's consolidation process with its 'buy and turn around' and its 'buy and build' strategy.

DATAGROUP AG
IFRS Consolidated Financial Statement (unaudited)
Figures at a glance

in k€	Change yoy		Q1 2015/2016		Q1 2014/2015	
Revenues	2,653	6.8%	41,592	100.0%	38,939	100.0%
thereof services and maintenance	4,194	14.7%	32,636	78.5%	28,442	73.0%
thereof trade	-1,520	-14.6%	8,912	21.4%	10,432	26.8%
thereof other / consolidation	-21	-32.3%	44	0.1%	65	0.2%
Other own work capitalised	-13		0		13	
Total revenues	2,640	6.8%	41,592	100.0%	38,952	100.0%
Material expenses /						
Expenses for purchased services	-523	-3.6%	14,098	33.9%	14,621	37.5%
Gross profit	3,163	13.0%	27,494	66.1%	24,331	62.5%
Personnel expenses	2,355	12.9%	20,561	49.4%	18,206	46.7%
Other income etc.	-673	-48.7%	710	1.7%	1,383	3.6%
Other expenses etc.	763	17.3%	5,184	12.5%	4,421	11.3%
EBITDA	-628	-20.3%	2,459	5.9%	3,087	7.9%
Depreciation from PPA	-118	-15.4%	648	1.6%	766	2.0%
Other depreciation	233	34.7%	904	2.2%	671	1.7%
EBIT	-743	-45.0%	907	2.2%	1,650	4.2%
Financial result	141	-29.1%	-343	-0.8%	-484	-1.2%
EBT	-602	-51.6%	564	1.4%	1,166	3.0%
Taxes on income and profit	-225		196	0.5%	421	1.1%
Net income	-377		368	0.9%	745	1.9%
Shares ¹⁾			7,572		7,572	
EPS			0.05		0.10	
Tax rate			34.8%		36.1%	
			31.12.2015		30.09.2015	
Balance sheet total	-2,424	-2.3%	100,922		103,346	
Equity ²⁾	368	1.4%	26,419		26,051	
Equity ratio (in %) ²⁾			26.2		25.2	
Net Debt ²⁾	-981	-3.5%	27,173		28,154	
1) plus treasury shares:			18		18	
2) under consideration of subordinated loans						

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Assets

Long-term assets

Goodwill	38,523,419.65	38,523,419.65
Other intangible assets	10,926,978.29	11,445,269.01
Property, plant and equipment	7,291,849.24	7,316,127.83
Long-term financial assets	3,424,511.16	3,822,514.90
Claims from reinsurance coverage for pension obligations	5,354,911.90	5,354,911.90
Other long-term assets	120,126.76	134,889.32
Deferred taxes	1,779,681.58	1,464,480.04
	67,421,478.59	68,061,612.65

Short-term assets

Inventories	2,479,760.86	1,532,497.41
Accounts receivable	13,132,557.45	16,667,072.92
Short-term financial assets	4,869,586.73	5,477,056.77
Production orders	2,038,866.11	2,994,874.95
Other short-term assets	5,832,994.74	6,348,504.81
Cash and cash equivalents	5,146,870.32	2,264,789.71
	33,500,636.21	35,284,796.57
	100,922,114.80	103,346,409.22

Liabilities

Equity

Subscribed capital	7,590,000.00	7,590,000.00
Capital reserves	11,796,385.73	11,796,385.73
Repayment of capital	-98,507.73	-98,507.73
Retained earnings	9,101,675.50	8,733,490.30
Cumulative other comprehensive income	-3,970,814.23	-3,970,814.23
	24,418,739.27	24,050,554.07

Long-term liabilities

Long-term financial liabilities	23,866,591.49	24,633,738.97
Pension provisions	12,775,169.01	12,822,342.00
Other provisions	769,910.51	775,192.84
Other long-term liabilities	37,883.94	0.00
Deferred taxes	650,634.51	782,107.01
	38,100,189.46	39,013,380.81

Short-term liabilities

Short-term financial liabilities	16,312,400.21	14,583,861.69
Provisions	3,106,243.58	2,463,011.85
Accounts payable	3,724,254.65	4,748,518.08
Surplus of liabilities from production orders	139,536.21	50,989.47
Income tax liabilities	1,927,232.66	3,062,851.29
Other liabilities	13,193,518.76	15,373,241.96
	38,403,186.07	40,282,474.34
	100,922,114.80	103,346,409.22

DATAGROUP AG
Consolidated Profit and Loss Statement (unaudited)

	01.10.2015 - 31.12.2015	01.10.2014 - 31.12.2014
	EUR	EUR
Revenues	41,591,871.88	38,939,248.48
Other own work capitalised	0.00	12,850.09
Total revenues	41,591,871.88	38,952,098.57
Other operating income	710,252.64	1,383,355.91
Material expenses / expenses for purchased services	14,097,573.06	14,621,923.56
Personnel expenses	20,561,024.77	18,205,908.34
Goodwill amortisation	0.00	0.00
Depreciation of property, plant and equipment and other intangible assets	1,552,162.56	1,437,288.82
Other operating expenses	5,184,122.71	4,420,546.94
Operating income	907,241.42	1,649,786.82
Financial income	160,011.17	135,351.59
Financial expenses	502,598.03	619,198.86
Financial result	-342,586.86	-483,847.27
Earnings before taxes	564,654.56	1,165,939.55
Taxes on income and profit	196,469.36	421,260.41
Net income	368,185.20	744,679.14

DATAGROUP AG
Consolidated Income Statement (unaudited)

	01.10.2015 - 31.12.2015	01.10.2014 - 31.12.2014
	EUR	EUR
Net income	368,185.20	744,679.14
Other earnings before taxes		
Actuarial gains or losses from pension provisions	0.00	0.00
Income tax effects on other income	0.00	0.00
Comprehensive income	368,185.20	744,679.14