

FinTech Group AG Triples Net Profit in H1

- Net profit of 7.0M EUR (1H16: 2.5M EUR) in the first half of 2017
- New B2C customers +11%, B2C transactions +10%
- Collateralized credit book expanded, interest income more than doubled to 4.3M EUR
- Online broker flatex is now market leader in Austria, further European expansion underway
- Group expects strong second half, guidance 2017 confirmed

Frankfurt, Germany – FinTech Group AG (WKN: FTG111, ISIN: DE000FTG1111, Ticker: FTK.GR) almost tripled its net profit in the first half of 2017 to 7.0M EUR (1H16: 2.5M EUR). Strong growth seen at flatex, one of Europe’s fastest growing online brokers, boosting the Group’s profits. In addition, three major B2B long-term contracts significantly contributing to earnings will be launched in the second half. Thus, management confirmed its 2017 guidance of 16.8M EUR net profit or 1 EUR earnings per share (EPS).

“The significant increase in our net profit in the first half of 2017 demonstrates the high earnings potential of FinTech Group AG. The second half is expected to be even better as the three newly won long-term B2B contracts including a new Brexit client, will start to contribute to earnings. We are convinced of reaching our guidance for the third consecutive year”, said Frank Niehage, CEO of FinTech Group AG. “Our aim to become Europe’s leading financial technology provider is firmly in our focus and we are planning to expand internationally while remaining conscious of costs”.

The online broker flatex significantly benefited from the industry’s consolidation, reaching record highs in the number of new customer registrations. In the first half year, about 21,000 new customers joined flatex (1H16: 11,000). FinTech Group now serves 235,000 retail customers (end 2016: 212,000) across all of its business lines. The number of transactions processed in the first half of 2017 was up by more than 10% to 5.6M EUR in spite of a generally low market volatility. The total volume of trades executed rose by 16% to 38.2B EUR. The collateralized credit book including the “flatex flex credit” grew to about 180M EUR (end 2016: 130M EUR). The interest income more than doubled to 4.3M EUR (1H16: 1.9M EUR).

“Following years of realignment, acquisitions, and integration our Group is now on a solid foundation. In the first half of 2017, we were therefore able to make targeted investments into our B2C and B2B businesses. Rising numbers in new customers and trades are among the first accomplishments. Investments into our modular banking platform will pay off in the second half”, said Muhamad Chahrour, CFO of FinTech Group AG. “We were able to increase our technological edge significantly. We will keep growing organically, while we continue to consider strategic acquisitions”.

Further key performance indicators (KPIs) of FinTech Group demonstrate that the efficiency programs of the past are still paying off. Revenues rose to almost 50M EUR (1H16: 48M EUR) in the first half of the year. Assets under Administration (AuA) rose by almost 20% to 11.2B EUR (1H16: 9.4B EUR).

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The high-margin segment **"Securities Trading & Financial Services"**, which comprises the online broker flatex and the high-frequency broker ViTrade, achieved revenues of 12.9M EUR and EBITDA of 6.8M EUR. In Austria flatex.at has now captured 40% market share, making it the country's leading online broker. Expansion to other European countries is underway.

The segment **"Transaction Processing & White-Label-Banking Services"**, which comprises the Group's B2B services (XCOM AG and FinTech Group Bank AG, previously named Bank biw AG), achieved revenues of 37M EUR and EBITDA of 11.9M EUR. The launch of the three major B2B projects will boost earnings in the second half of the year.

The combined EBITDA of both segments had to be netted versus central costs and consolidation effects of -5.6M EUR (1H16: -6.0M EUR). Overall, the EBITDA came in somewhat lower than in the previous period, totaling 13.0M EUR (1H16: 13.8M EUR). This is mainly attributable to a high positive one-off effect in the first half of 2016. Adjusted for this one-off the EBITDA rose by 6%.

The full half-year report will be published soon in German and English language at www.fintechgroup.com

About FinTech Group AG

FinTech Group AG (WKN: FTG111, ISIN: DE000FTG1111, Ticker: FTK.GR) is a modern smart bank: We offer innovative financial technology, our own core banking system, and a regulatory liability umbrella.

Our cash cow is retail broker flatex which, through our advanced technology, can offer top-quality service at an affordable price. This makes flatex the fastest growing trading platform in Europe.

Our smart technology is easy to scale, so we also successfully offer it to B2B customers. We provide vital services for many well-known institutions and even state infrastructure. We help start-ups and disruptive business ideas that require a banking license to rapidly become a success through our white-label banking.

In a time of bank consolidation, low interest rates, and digitization we are ideally positioned for further growth. Our goal is to become Europe's leading provider of financial technology

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