

Corporate News / Frankfurt am Main, Germany, March 31, 2017

FinTech Group Beats Expectations, Raises 2017 Guidance

- **Net Profit of 12.3m EUR (2015: -2.2m EUR)**
- **EBITDA increases by 55% to 30.6m EUR (2015: 19.7m EUR)**
- **Revenues up by 27% to 95m EUR (2015: 75.0m EUR)**
- **Increase of 2017 net profit guidance**

Frankfurt, Germany – FinTech Group AG (German WKN: FTG111, ISIN: DE000FTG1111, Ticker: FTK.GR) achieves record results: The net profit for the financial year 2016 jumped to 12.3m EUR (2015: -2.2m EUR), exceeding analysts' expectations. Both the organic growth of the B2C-subsi-dary flatex as well as attractive and long-term new B2B mandates have contributed significantly to the success of FinTech Group AG during 2016.

Earnings before interest, taxation, depreciation and amortization (EBITDA) rose strongly by 55% to 30.6m EUR (2015: 19.7m EUR), meeting the management's guidance. Revenues increased by 27% to 95m EUR (2015: 75.0m EUR).

Additionally, FinTech Group increases its net profit guidance for the financial year 2017 to 16.8m EUR (previous estimate: 15.1m EUR). This equals earnings per share (EPS) of 1.00 EUR (previous estimate: 0.90 EUR). The increase is based on a strong first quarter of this year. Additionally, the previously announced "5 to 2" strategy - to reduce five operating entities to two; a fin and a tech entity - further leverages synergies and reduces administration expenses already in the current year.

"Last year was the most successful year in the history of FinTech Group and confirms the repositioning in 2014 and 2015 as well as the expansion of the FinTech Group through the acquisition of the XCOM Group in 2015. The demand for our FinTech-expertise remains high and ensures profitable organic growth in both business segments. We believe that we are just at the beginning of the disruption phase of traditional banking business and hence expect this development to continue for several years. We help many established banks to rebuild their IT-landscape as well as younger, new players to enter the market. Especially those customers in the Transaction Processing & White Label Banking Services segment usually have very long-term contracts," said Frank Niehage, CEO of FinTech Group AG. "Furthermore, we are very proud that we have met our guidance for the second time in a row."

The segment "**Transaction Processing & White-Label-Banking Services**", which includes IT system providers XCOM AG and Bank biw AG, achieved revenues of 70.8m EUR (2015: 45.2m EUR) and EBITDA of 28.3m EUR (2015: 8.4m EUR). The strong increase is mainly due to the realignment of the B2B business, which helped to acquire new profitable, long-term mandates. Furthermore, synergies from the integration of XCOM, as well as income from the transaction processing and settlement of the flatex and ViTrade brokerage business, had a significant contribution to the results of this segment.

The segment „**Securities Trading & Financial Services**“, which includes the online brokers flatex and ViTrade, achieved revenues of 19.4m EUR (2015: 28.5m EUR) and EBITDA of 11.9m EUR (2015: 19.7m EUR). The decrease in EBITDA against the level of 2015 is attributable to a double-digit million euro one-off income in 2015 due to the out-licensing of the CFD business. Adjusted for the one-off effect, the segment showed above average growth. The growth of this segment is also partly reflected in the figures of the segment “Transaction Processing & White Label Banking Services”, which settles the transactions of flatex and ViTrade.

Compared to the previous year, the number of flatex customers rose by 17% to more than 175,000 as of Dec. 31, 2016. The number of transactions increased by 7.2% to 7.7m EUR in the same period. The segment had a very positive start into 2017. In the first quarter 2017, more than 12,000 new customers have joined flatex.

“We have started to harvest the results of our realignment. As previously announced, we also expect a further high, annual reduction of administration expenses – notably through the efficiency strategy `5 to 2`, which has already kicked off and will reduce the number of our operating entities from five to two. Although from now on our main focus will be on revenue growth, we will also keep increasing our efficiency and cost leadership constantly,” said Muhamad Chahrour, CFO of FinTech Group AG.

The combined EBITDA of both segments amounted to 40.2m EUR in 2016, versus central costs and consolidation effects of -9.6m EUR. The latter were mainly caused by the centralization of executive departments (Finance, Legal, Compliance, HR, Procurement etc.), due to the regulatory status of FinTech Group AG as the superordinate entity.

The full annual report 2016 will be published in April in German and English. Preliminary unaudited figures are published on www.fintechgroup.com.

**Media Contact**

Roman Keßler

Head of Communications

+49 (0) 69 45000 11 700

Roman.Kessler@fintechgroup.com

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.

Disclaimer

This release may contain forward-looking statements and information, which may be identified by formulations using terms such as "expects", "aims", "anticipates", "intends", "plans", "believes", "seeks", "estimates" or "will". Such forward-looking statements are based on our current expectations and certain assumptions, which may be subject to variety of risks and uncertainties. The results actually achieved by FinTech Group AG may substantially differ from these forward-looking statements. FinTech Group assumes no obligation to update these forward-looking statements or to correct them in case of developments, which differ from those anticipated.