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flatexDEGIRO's record financial performance beats consensus 2020

- Preliminary financials for 2020 beat consensus estimates
- Revenues doubled to EUR 261 m (2019: EUR 132 m)
- Adjusted EBITDA triples to EUR 114 m (2019: EUR 38 m), resulting in 15 percentage point increase of the Adjusted EBITDA margin (44 %)
- Operating Cash flow more than tripled to EUR 141 m (2019: EUR 46 m)

Frankfurt/Main - flatexDEGIRO AG (WKN: FTG111, ISIN: DE000FTG1111, Ticker: FTK.GR), Europe's largest retail online broker, today published its preliminary figures for 2020, marking another record year for the company. A doubling of revenues and a disproportionate increase in EBITDA reflect the company's extremely encouraging performance for the year as well as its very strong operating leverage. With an operating cash flow of more than EUR 140 million in 2020, flatexDEGIRO demonstrates its massive potential to generate significant free cash flows to finance future growth.

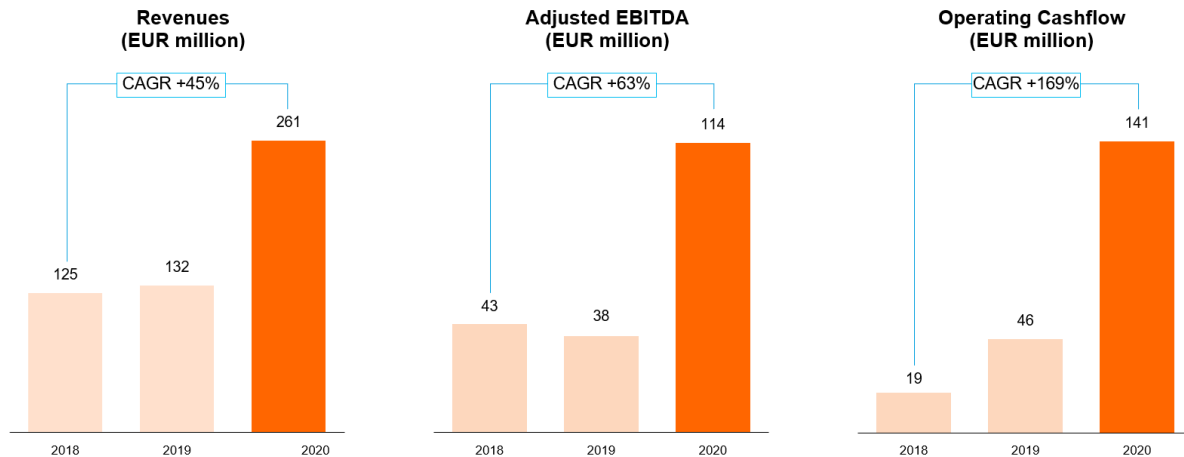
At the end of 2020, the number of flatexDEGIRO customers amounted to 1.25 million, an organic increase of 55.8 percent compared to 0.80 million brokerage customers reported in the previous year (pro forma). Driven by strong organic customer growth and above average trading activity per customer, the number of trades executed via flatexDEGIRO's platforms have skyrocketed to 75.0 million in 2020, the highest number ever achieved by a European retail online broker (2019: 31.4 million, pro forma).

"We see a continued tremendous development of customer growth and trading activity. We are on an excellent track with our strategic priorities. In Germany, we will continue to expand our attractive customer offering around flatex-next in the coming months. In addition, we have great market share potential in our international markets with DEGIRO," said Frank Niehage, CEO of flatexDEGIRO, describing the company's immediate growth opportunities. "We feel very comfortable with the commercial guidance we have issued for the full year 2021."

The preliminary financials published today illustrate the Company's enormous ability to monetize customer growth and trading activity on its highly scalable online brokerage platforms. Revenues reached EUR 261 million, an increase of 98 percent over 2019. Due to the strong operating leverage of the online brokerage business, EBITDA increased disproportionately by 139 percent to EUR 98 million. Adjusted for non-cash expenses related to provisions for long-term incentive schemes, the Group's adjusted EBITDA amounted to EUR 114 million (+201 percent) yielding a margin of 44 percent.

"In 2020 we generated an Operating Cash flow per share of more than EUR 6. Based on last year's volume-weighted average price per share of EUR 37.78, this equates to an outstanding operating cashflow yield of 16 percent. The DEGIRO acquisition, where we financed the cash component with our own operating cash flow, without any debt, is a perfect example of how we allocate our cash to maximize stakeholder value," said Muhamad Chahrour, CFO of flatexDEGIRO. "With the envisaged commercial growth, our financial strength and the absence of external financial debt, we are ideally positioned to further expand our unique market-leading position in Europe. I am sure that our investments into long-term, sustainable growth will translate into a further sharp increase of revenues, margins and operating cash flow in 2021 and beyond."

With regard to business development, flatexDEGIRO expects the number of customers to increase to between 1.8 million and 2.0 million by the end of the year. Transactions executed are expected to range between 75 million and 90 million in 2021.



2020 based on preliminary figures

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About flatexDEGIRO AG

flatexDEGIRO AG (WKN: FTG111, ISIN: DE000FTG1111, Ticker: FTK.GR) operates one of the leading and fastest growing online brokerage businesses in Europe, executing millions of paperless securities transactions per annum. B2C customers in 18 European countries are serviced via the flatex and DEGIRO brands and offered a wide range of independent products at competitive pricing, based on a modern, in-house state-of-the-art technology.

With more than 1.25 million customers and 75 million securities transactions in 2020, flatexDEGIRO is the largest retail online broker in Europe. In a time of bank consolidation, low interest rates and digitalization, the flatexDEGIRO Group is ideally positioned for further growth. Until 2025 at the latest, flatexDEGIRO aims to win over 3 million customers and execute at least 100 million transactions per year – even in years with low volatility.

Disclaimer

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