

CORPORATE NEWS

Wiesbaden, 1 December 2016

Page 1/3

JDC Group demonstrates market acceptance of its strategy in third quarter

- **EBITDA increases pro forma by approximately 75% to kEUR 707 due to inventory purchases in the first 9 months**
- **High demand for allesmeins among major clients**
- **Revenues in the Advisory segment rise in third quarter by around 13 percent**
- **Optimistic outlook for Q4 and 2017**

JDC Group AG (ISIN DE000A0B9N37), the leading Advisortech company in Europe, confirmed the success of its strategy in the results published today for corporate development in the third quarter.

In the Advisortech segment, the company gained a strong partner in online broker flatex for marketing allesmeins. With an average of 6.5 insurance contracts per active allesmeins user, the contract density for allesmeins is about three times higher than the market average, exceeding internal expectations. In addition, Phoenix Strategic Investors – a sales company with more than 1,000 consultants – has been acquired as a key client. From December, Phoenix will contribute annual revenues of at least EUR 5 million to Group revenues.

Group revenues fell slightly in the first nine months to EUR 54.7 million (9M 2015: EUR 55.6 million). This was due to weak production performance by the largest JDC clients and a general weakness in investment fund sales. The first revenues from acquired portfolios could not offset this effect in Q3. On a quarterly basis, revenues are stable at EUR 18.5 million (Q3 2015: EUR 18.8 million). The overall revenue effect from the acquired insurance portfolios will only begin contributing to consolidated revenue in the fourth quarter of 2016.

Excluding one-time positive special effects from the previous year amounting to kEUR 775 net, which were included in gross profit and other operating expenses, earnings before interest, taxes, depreciation and amortisation (EBITDA) increased by approximately 75% to kEUR 707 (9M 2015: adjusted: kEUR 404; unadjusted kEUR 1,179). On a quarterly basis, EBITDA rose to kEUR 339 and adjusted is therefore about kEUR 412 better than the previous year (Q3 2015: kEUR -73; unadjusted: kEUR 157).

Earnings before interest and taxes (EBIT) declined as planned in the first nine months as compared with the previous year due to a sharp investment-related increase in write-downs on inventory purchases. They amount to kEUR -1,004 (9M 2015: kEUR -765; unadjusted: kEUR 10). On a quarterly basis, EBIT dropped to kEUR -532 (Q3 2015: kEUR -482; unadjusted: kEUR -252).

"With allesmeins, we established proof of concept," explained Dr. Sebastian Grabmaier, CEO at JDC Group. "Agents can triple their inventory by using our app. This also won over new key clients and verifies the validity of our AdvisorTech strategy."

"The third quarter is the first quarter in which you will start to recognise the new JDC, even though the weakness in the fund sector is still masking the positive effects of the portfolio purchases," added Ralph Konrad, CFO at JDC Group. "From the fourth quarter on, the holdings will be fully factored into the profit and loss statement and show the new key client's initial sales. We are therefore very optimistic about Q4 and about 2017 in particular."

Business units to be continued (in TEUR)	Q3 2015		Change	Q3 2015		9M 2016	9M 2015		9M 2015	Change
	Q3 2016	Pro-forma		Q3 2015	Change		9M 2015	Pro-forma		
Revenues	18,499	18,784	-1.5%	18,784	-1.5%	54,742	55,586	-1.5%	55,586	-1.5%
- thereof Advisortech	13,798	14,514	-4.9%	14,514	-4.9%	43,097	44,267	-2.6%	44,267	-2.6%
- thereof Advisory	5,937	5,278	12.5%	5,278	12.5%	16,201	15,801	2.5%	15,801	2.5%
- thereof Holding/Cons.	-1,236	-1,008	-22.6%	-1,008	-22.6%	-4,556	-4,482	-1.7%	-4,482	-1.7%
EBITDA	339	-73	> 100%	157	> 100%	707	404	75.0%	1,179	-40.0%
EBIT	-532	-482	-10.4%	-252	> -100%	-1,004	-765	-31.2%	10	> -100%
EBT	-783	-711	-10.1%	-481	-62.7%	-1,690	-1,234	-37.0%	-459	> -100%

You can find more information on JDC Group AG at www.jdcgroup.de.

Contact

Ingo Middelmanne
Head of Investor Relations
JDC Group AG
Telephone: +49 611 3353 514
E-Mail: middelmenne@jdcgroup.de

About JDC Group AG

JDC Group AG (ISIN: DE000A0B9N37) stands for modern financial advice and intelligent financial technology for advisors and customers. In the "Advisortech" business unit, we provide our customers and advisors with modern advisory and administration technology using the Jung, DMS & Cie. Groups. While many sales and distribution partners perceive the technological transformation as a problem and the young Fintech companies as the new competitors, we perceive the "technology" factor to be a great opportunity. Solutions from the "Advisortech" business unit will help advisors in the future to take even better care of their customers and generate increased sales in their earnings. In the "Advisory" segment, we convey financial

products to private end customers via free advisors, brokers and financial distributors using the FiNUM Group. With over 16,000 connected sales partners, around 1,000,000 end customers, a portfolio of more than EUR 4 billion and over EUR 1.3 billion in product sales each year, we are one of the market leaders in the German-speaking area.

Disclaimer:

Members of the Management Board of JDC Group AG hold material shareholdings in JDC Group AG and thus have proprietary interests in the nature and contents of the information provided in this notification.