

CORPORATE NEWS

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JDC Group starts the new year with earnings multiplication

- **Sales revenues grow by 14 percent to EUR 19.9 million**
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- **EBITDA increases fivefold to EUR 1.1 million**
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- **Further growth stimulus expected**
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JDC Group AG (ISIN DE000A0B9N37) confirms the new operational strength of the Group with the figures published today on the company development in the first quarter of 2017. After the company ended the fourth quarter of 2016 with a record sales turnover and earnings growth figure, the first key performance indicators for 2017 are now also underlining the fact that the JDC Group has sustainably returned to the path of growth.

Sales turnover grew by 14.0 % to EUR 19.9 million in a quarterly comparison (Q1 2016: EUR 17.5 million). Earnings before interest, taxes, depreciation and amortization (EBITDA) grew fivefold to EUR 1.1 million (Q1 2016: EUR 0.2 million). The EBITDA margin increased accordingly from 1.1 % to 5.5 %. Earnings before interest and taxes (EBIT) is also significantly positive, in spite of the depreciation on acquired customer bases, at EUR 0.4 million (Q1 2016: minus EUR 0.2 million).

The positive development has several sources. On the one hand, the newly acquired customer portfolios are now fully effective on the results for the first time. On the other hand, measures for digitizing the business processes are taking effect, so that the additional sales revenue can be processed without added costs. Furthermore, the number of new business applications has jumped significantly and ensures positive organic growth.

“Our comprehensive investments in the future of our company, particularly portfolio acquisitions and our digitization strategy, have been visibly paying off since the 4th quarter of 2016”, explains Ralph Konrad, CFO of the JDC Group. “We took the positive trend from Q4 2016 with us into 2017 and are now expecting significant double-digit growth for all of 2017, and so a considerable rise in revenues.”

The new operational strength of the company will also continue to be underpinned by the development of further key performance indicators. The equity ratio grew at the quarter-end to 42.0 %, from 40.7 % at the year-end.

The sales turnover for the Advisory business segment rose by 12 percent and the Advisortech business segment even managed to increase its sales turnover by 19.0 percent, to EUR 16.7 million.

The significant key figures for the first three months of 2017 are as follows:

(in EUR '000)	Q1 2017	Q1 2016	Deviation
Sales revenues	19,889	17,455	13.9%
- of which Advisortech	16,725	14,050	19.0%
- of which Advisory	5,521	4,923	12.1%
- of which Holding/cons.	-2,358	-1,672	-41.0%
EBITDA	1,131	222	>100%
EBIT	364	-208	>100%
EBT	138	-448	>100%
Consolidated earnings	24	-233	>100%
Earnings per share	0.00	-0.02	100%

“Through our state-of-the-art IT solutions and the sustainable digitization of our internal operational processes, we are the ideal partner for large-scale brokers, distribution companies and banks that are searching for cost-effective outsourcing solutions for processing their insurance business”, explains Dr. Sebastian Grabmaier, CEO of the JDC Group, about the strategy of the Group: “We are expecting the next major stimulus in this field during the coming months. We are on the way to becoming the leading digital administrator of insurance and financial investments for financial intermediaries.

Further information on JDC Group AG is available at www.jdcgroup.de.

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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 procure financial products for private end customers via free advisors, brokers and financial distributors using the FiNUM Group. With over 16,000 connected sales partners, around 1,200,000 end customers, a portfolio of more than EUR 4.5 billion and over EUR 1.4 billion in product sales each year, we are one of the market leaders in the German-speaking region.

Disclaimer:

The Directors of JDC Group AG hold a significant participating interest in JDC Group AG and have a self-interest in the nature and content of the information provided in this release.