

Amadeus FiRe AG

# Quarterly statement

01.01. – 31.03.2018



We fill specialist and  
management positions  
in the fields of commerce and IT.

[www.amadeus-fire.de](http://www.amadeus-fire.de)

## Unaudited Amadeus FiRe Group financial summary

Amounts stated in EUR k	01.01.-31.03.2018	01.01.-31.03.2017	Divergency in per cent
Revenues	48,220	44,848	7.5%
Gross profit in per cent	22,046 45.7%	20,732* 46.2%	6.3%
EBITDA in per cent	7,267 15.1%	7,675 17.1%	-5.3%
EBITA in per cent	6,936 14.4%	7,434 16.6%	-6.7%
EBIT in per cent	6,936 14.4%	7,434 16.6%	-6.7%
Profit before income taxes in per cent	6,937 14.4%	7,436 16.6%	-6.7%
Profit after income taxes in per cent	4,749 9.8%	5,074 13.6%	-6.4%
Profit attributable to minority interests disclosed under liabilities	-75	-45	66.7%
Profit for the period in per cent	4,674 9.7%	5,029 11.2%	-7.1%
- Attributable to non-controlling interests	29	38	-23.7%
- Attributable to equity holders of the parent	4,645	4,991	-6.9%
Net cash from operating activities	4,274	4,832	-11.5%
Net cash from operating activities per share	0.82	0.93	-11.8%
Earnings per share	0.89	0.96	-7.3%
Average number of shares	5,198,237	5,198,237	
	31.03.2018	31.12.2017	
Balance sheet total	83,155	78,017	6.6%
Stockholders' equity	51,800	47,125	9.9%
Return on equity before tax in %	62.3%	60.4%	
Cash	45,911	43,403	5.8%
	31.03.2018	31.03.2017	
Number of employees (active)	2,764	2,617	5.6%
thereof temporary staff	2,232	2,151	3.8%

\*) Prior year adjusted. For further information, please refer to page 5.

The latest financial reports as well as the testified annual report are available at  
[www.amadeus-fire.de/en/investor-relations/berichte](http://www.amadeus-fire.de/en/investor-relations/berichte).

## Quarterly statement first quarter 2018 (01.01. - 31.03.2018)

### Current information on the market

The current economic situation in Germany remains positive. The labor market in Germany is still marked by a high demand from companies despite a comparatively low availability of labor. Especially for qualified specialists the labor market is very competitive.

The temporary staffing market in Germany remained almost unchanged. According to the trend projection of the German Federal Employment Agency for January 2018, the number of temporary staff in Germany is slightly above the corresponding month of the previous year. For the market segment for skilled professionals, lower growth rates can be assumed. Thus, the number of qualified temporary staff will be roughly unchanged.

An influence to the temporary staffing market in the current fiscal year is due to the law for the amendment of the AÜG (“Arbeitnehmerüberlassungsgesetz”: German Personnel Leasing Act) and other laws which came into effect on April 1, 2017. At the turn of the year, the newly implemented principle “equal pay after nine months working for a client company” came into effect for the first time. The administrative implementation effort was and is still very high for all concerned. A significant decline in the number of temporary staff could not be observed so far.

### Business development

The Amadeus FiRe Group was able to increase the consolidated revenues in the first quarter of financial year 2018 by 7.5% to EUR 48,220k (previous year: EUR 44,848k). On this, all services made a positive contribution.

The following sales were attributed to the individual services:

Amounts stated in EUR k	Q1 2018	Q1 2017	Divergency in per cent
Temporary Staffing	32,562	31,335	3.9%
Permanent Placement	8,442	6,818	23.8%
Interim-/Project Management	2,477	2,390	3.6%
<b>Segment personnel services</b>	<b>43,481</b>	<b>40,542</b>	<b>7.2%</b>
<b>Segment training</b>	<b>4,739</b>	<b>4,306</b>	<b>10.1%</b>
<b>Total</b>	<b>48,220</b>	<b>44,848</b>	<b>7.5%</b>

In the first quarter 2018 temporary staffing sales increased despite two chargeable days less compared to the quarter of the previous year and despite the first-time impact of the legal equal pay requirement.

Two chargeable days correspond to a negative effect of around EUR 1.0 million on revenues, gross profit and pre tax results. During the financial year 2018 this effect will be offset and neutralized by one additional chargeable day in the second quarter and another additional chargeable day in the fourth quarter.

As a direct result of the first-time application of the equal pay requirement, the order backlog in temporary staffing dropped by 3% at the turn of the year.

Furthermore, there was an unusually high number of sick leave in Germany, especially in the months of February and March. This had an additional negative effect on the utilization rate of Amadeus FiRe’s temporary staff and consequently on sales and margin of temporary staffing.

In permanent placement the positive course continued with a growth clearly above 20%. The Reason for this is still the high demand of companies and limited access to skilled specialists. Also, client companies are more willing to retain workers and to offer a permanent position directly.

The segment of training also developed with an increase in sales of around 10% positively within the first months of the financial year and further strengthened its market position.

In the first quarter of 2018 the Amadeus FiRe Group achieved a gross profit of EUR 22,046k (previous year: EUR 20,732k), an increase of 6.3%. Gross profit margin fell by 0.5 percentage points to 45.7% (previous year: 46.2%). In the first place high growth rates of the high-margin permanent placement service had a positive effect on the gross profit margin. The gross profit margin of temporary staffing, in turn, declined as a result of the two chargeable days less than in the previous period and the effect from high sick leave.

Selling and administrative expenses amounted to EUR 15,162k in the first quarter (previous year: EUR 13,348k). This corresponds to a cost increase of 13.6% resulted primarily from higher personnel expenses due to the steady expansion of the sales organization.

EBITA for the first quarter amounted to EUR 6,936k; a decrease of EUR -498k compared as to the previous year results. During first quarter the EBITA was influenced by three factors considerably. First of all, the negative impact of EUR 1.0 million due to the fewer number of chargeable days. Secondly, by a lower utilization rate caused from a generally high sick leave in Germany. Lastly, due to a limited impact on temporary staffing orders following the first-time application of the equal pay requirement at the turn of the year. EBITA margin corresponding fell by 2.2 percentage points to 14.4% (previous year: 16.6%).

Net profit for the first quarter of the financial year 2018 amounted to EUR 4,674k (previous year: EUR 5,029k). Earnings per share based on the net profit for the period attributable to the ordinary shareholders of the parent decreased by 7 Cents to EUR 0.89 in the first quarter (previous year: EUR 0.96).

In February 2018, the Amadeus FiRe Group moved into its newly equipped group headquarters in Frankfurt/Main with the branch office of Frankfurt, the group's administration and the training center. Accordingly, investing activities increased that quarter.

The Management Board and the Supervisory Board will propose the Annual General Meeting on 24 May, 2018, to distribute a dividend of EUR 3.96 per share from the retained earnings in 2017. This would cause an outflow of cash and cash equivalents of EUR 20,585k.

The Management Board's outlook and expectations stated in the Annual Report 2017 remain unchanged. For additional information please see the annual report's section "Opportunities and outlook".

Frankfurt/Main, 26 April 2018



Peter Haas  
Chief Executive Officer



Robert von Wülfing  
Chief Financial Officer

## Unaudited consolidated income statement

1st quarter fiscal year 2018

Amounts stated in EUR k	01.01.–31.03.2018	01.01.–31.03.2017
Revenue	48,220	44,848
Cost of sales	-26,174	-24,116*
<b>Gross profit</b>	<b>22,046</b>	<b>20,732*</b>
Selling expenses	-12,812	-11,227*
General and administrative expenses	-2,350	-2,121
Other operating income	53	54
Other operating expenses	-1	-4
<b>Profit from operations</b>	<b>6,936</b>	<b>7,434</b>
Finance costs	0	0
Finance income	1	2
<b>Profit before taxes</b>	<b>6,937</b>	<b>7,436</b>
Income taxes	-2,188	-2,362
<b>Profit after taxes</b>	<b>4,749</b>	<b>5,074</b>
Profit attributable to non-controlling interests disclosed under liabilities	-75	-45
<b>Profit for the period</b>	<b>4,674</b>	<b>5,029</b>
- Attributable to non-controlling interests	29	38
- Attributable to equity holders of the parent	4,645	4,991
<b>Earnings per share, in relation to the profit for the period attributable to the ordinary equity holders of the parent</b>		
basic (euro/share)	0.89	0.96
diluted (euro/share)	0.89	0.96
<p>*) Prior year adjusted. In the past expenses for specialized teams within the sales organization, which are exclusively responsible for permanent placement and interim management, were reported in the cost of sales. These expenses are reclassified to selling expenses as of this year (Reclassification effect in 2017: EUR 819k). The reclassification has no impact on results.</p>		

## Unaudited consolidated statement of comprehensive income

1st quarter fiscal year 2018

Amounts stated in EUR k	01.01.–31.03.2018	01.01.–31.03.2017
Profit for the period	4,674	5,029
<b>Other comprehensive income</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive income for the period</b>	<b>4,674</b>	<b>5,029</b>
- Attributable to non-controlling interests	29	38
- Attributable to equity holders of the parent	4,645	4,991

## Unaudited consolidated balance sheet

1st quarter fiscal year 2018

Amounts stated in EUR k	31.03.2018	31.12.2017
<b>Assets</b>		
<b>Non-current assets</b>		
Software	3,975	3,971
Goodwill	6,935	6,935
Property, plant and equipment	3,093	1,677
Deferred tax assets	1,091	1,071
	<b>15,094</b>	<b>13,654</b>
<b>Current assets</b>		
Trade receivables	20,774	20,420
Other assets	80	73
Prepaid expenses	1,296	467
Cash	45,911	43,403
	<b>68,061</b>	<b>64,363</b>
<b>Total assets</b>	<b>83,155</b>	<b>78,017</b>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Subscribed capital	5,198	5,198
Capital reserves	11,247	11,247
Retained earnings	34,767	30,122
Equity attributable to equity holders of the parent	51,212	46,567
Non-controlling interests	588	558
	<b>51,800</b>	<b>47,125</b>
<b>Non-current liabilities</b>		
Liabilities to non-controlling interests	5,342	5,342
Other liabilities and accrued liabilities	918	642
Deferred tax liabilities	616	616
	<b>6,876</b>	<b>6,600</b>
<b>Current liabilities</b>		
Income tax liabilities	811	773
Trade payables	1,698	1,506
Liabilities to non-controlling interests	1,644	1,569
Other liabilities and accrued liabilities	20,326	20,444
	<b>24,479</b>	<b>24,292</b>
<b>Total equity and liabilities</b>	<b>83,155</b>	<b>78,017</b>

## Unaudited consolidated cash flow statement

1st quarter fiscal year 2018

Amounts stated in EUR k	01.01. – 31.03.2018	01.01. – 31.03.2017
<b>Cash flows from operating activities</b>		
Profit for the period before profit attributable to non-controlling interests	4,749	5,074
Tax expense	2,188	2,362
Amortisation, depreciation and impairment of non-current assets	331	241
Finance income	-1	-2
Finance costs	0	0
Non-cash transactions	-4	34
<b>Operating profit before working capital changes</b>	<b>7,263</b>	<b>7,709</b>
Increase/decrease in trade receivables and other assets	-361	-1,055
Increase/decrease in prepaid expenses and deferred income	-829	-615
Increase/decrease in trade payables and other liabilities and accrued liabilities	372	781
<b>Cash flows from operating activities</b>	<b>6,445</b>	<b>6,820</b>
Income taxes paid	-2,171	-1,988
<b>Net cash from operating activities</b>	<b>4,274</b>	<b>4,832</b>
<b>Cash flows from investing activities</b>		
Cash paid for intangible assets and property, plant and equipment	-1,778	-566
Receipts from the disposal of assets	11	0
Interest received	1	2
<b>Net cash used in investing activities</b>	<b>-1,766</b>	<b>-564</b>
<b>Cash flows from financing activities</b>		
Dividends paid to non-controlling interests in partnerships		
Dividends paid to non-controlling interests in corporations		
Cash paid to non-controlling interests	0	0
Profit distributions	0	0
<b>Net cash used in financing activities</b>	<b>0</b>	<b>0</b>
<b>Net change in cash</b>	<b>2,508</b>	<b>4,268</b>
<b>Cash at the beginning of fiscal year</b>	<b>43,403</b>	<b>40,448</b>
<b>Cash at the end of the period</b>	<b>45,911</b>	<b>44,716</b>
<b>Composition of cash as of 31 March</b>		
Cash on hand and bank balances (without drawing restrictions)	45,911	44,716



## Unaudited statement of changes in group equity

1st quarter fiscal year 2018

Amounts stated in EUR k	Equity attributable to equity holders of the parent					Non controlling interests	Total equity
	Subscribed capital	Capital- reserves	Other compre- hensive income	Retained earnings	Total		
<b>01.01.2017</b>	<b>5,198</b>	<b>11,247</b>	<b>0</b>	<b>28,577</b>	<b>45,022</b>	<b>369</b>	<b>45,391</b>
Total comprehensive income for the period	0	0	0	4,991	4,991	38	5,029
Profit distributions	0	0	0	0	0	0	0
<b>31.03.2017</b>	<b>5,198</b>	<b>11,247</b>	<b>0</b>	<b>33,568</b>	<b>50,013</b>	<b>407</b>	<b>50,420</b>
<b>01.04.2017</b>	<b>5,198</b>	<b>11,247</b>	<b>0</b>	<b>33,568</b>	<b>50,013</b>	<b>407</b>	<b>50,420</b>
Total comprehensive income for the period	0	0	0	15,579	15,579	175	15,754
Profit distributions	0	0	0	-19,025	-19,025	-24	-19,049
<b>31.12.2017</b>	<b>5,198</b>	<b>11,247</b>	<b>0</b>	<b>30,122</b>	<b>46,567</b>	<b>558</b>	<b>47,125</b>
<b>01.01.2018</b>	<b>5,198</b>	<b>11,247</b>	<b>0</b>	<b>30,122</b>	<b>46,567</b>	<b>558</b>	<b>47,125</b>
Total comprehensive income for the period	0	0	0	4,645	4,645	30	4,675
Profit distributions	0	0	0	0	0	0	0
<b>31.03.2018</b>	<b>5,198</b>	<b>11,247</b>	<b>0</b>	<b>34,767</b>	<b>51,212</b>	<b>588</b>	<b>51,800</b>

## Unaudited information on the business segments

1st quarter fiscal year 2018

Amounts stated in EUR k	Temporary Staffing/ Permanent Placement/Interim- and Project Management	Training	Consolidated
<b>01.01.-31.03.2018</b>			
<b>Revenue*</b>			
Segment revenue	43,481	4,739	48,220
<b>Result</b>			
<b>Segment result before goodwill impairment (EBITA)</b>	<b>6,587</b>	<b>349</b>	<b>6,936</b>
Finance costs	0	0	0
Finance income	0	1	1
Profit before tax	6,587	350	6,937
Income taxes	2,141	47	2,188
<b>01.01.-31.03.2017</b>			
<b>Revenue*</b>			
Segment revenue	40,542	4,306	44,848
<b>Result</b>			
<b>Segment result before goodwill impairment (EBITA)</b>	<b>7,151</b>	<b>283</b>	<b>7,434</b>
Finance costs	0	0	0
Finance income	1	1	2
Profit before tax	7,152	284	7,436
Income taxes	2,312	50	2,362

\* Revenue between segments of EUR k 7 (prior year: EUR k 0) and EUR k 2 (prior year: EUR k 4) was not consolidated.

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#### Financial Calendar

May 2018	International Roadshow
24.05.2018	Shareholders' General Meeting
19.07.2018	Semi annual report for fiscal year 2018
25.10.2018	Quarterly statement Nine Months for fiscal year 2018
October 2018	International Roadshow
March 2019	Press conference and analyst meeting for fiscal year 2018
May 2019	Shareholders' General Meeting