



KPS grew profitably in the first half-year of 2018/2019

- » Sales growth by 3.3 % to 91.2 million euros in the first half-year of 2018/2019 (equivalent year-earlier period: 88.4 Mio. Euro)
- » EBITDA up by 41.3 % from 9.4 million euros in the equivalent year earlier period to 13.2 million euros
- » Successful integration of acquisitions made in the previous business year and positive business development in the Scandinavian Region

Unterföhring/Munich, 13 May 2019 – KPS AG (WKN: A1A6V4 / ISIN: DE000A1A6V48), Europe’s leading management consultant for business transformation and process optimization, increased its sales by 3.3 % in the first half-year of 2018/2019 by comparison with the first half-year of 2017/2018 from 88.4 million euros to 91.2 million euros. The operating result before interest, tax, and amortization and depreciation (EBITDA) rose by 41.3 % to 13.2 million euros compared with 9.4 million euros in the equivalent year-earlier period. This enabled the profitability to be increased disproportionately upward to sales. In the first half-year of 2018/2019, the EBITDA margin was at 14.5 % and therefore significantly higher than in the year-earlier period (10.6 %). KPS achieved this positive operating development as a result of successful integration of company acquisitions made in the previous year and new transformation projects with portfolio and new customers.

In particular, the new-customer business in the Scandinavian market contributed to the robust development of sales in the first half-year of 2018/2019. In this region, KPS supported a Scandinavian food retail chain as a partner in building up a completely new retail platform, which radically modernizes the business processes and IT systems, and links up with the latest SAP planning software. KPS implemented the digitalization and automation of all marketing processes for another leading food retailer and KPS has been implementing a new B2B platform for the leading electronics retailer in the Nordic Region.

However, KPS was also able to acquire new transformation projects in other European markets for prestigious portfolio and new customers from retail and the consumer goods industry. Furthermore, the successfully integrated international acquisitions made by KPS AG opened up new possibilities in the Spanish and British markets. The operating excellence of the new subsidiary company Envoy KPS in the United Kingdom was confirmed by the award as “UK eCommerce Agency of the Year 2019”. The new strategic consulting offering and the synergy effects within the scope of group-wide transformations projects acquired with Infront Consulting und Management from Hamburg are already exerting a positive impact on the business of KPS.

Leonardo Musso, Chairman of the Executive Board of KPS AG, explained as follows: “Our subsidiary companies acquired in Germany, Spain and the United Kingdom not only expanded our consulting offering, they also contributed a wealth of new and talented employees to KPS. This enabled us to leverage synergies in the first half-year, expand our international presence

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and reduce our costs for external consultants. We were able to continue the development in the direction of the high level of profitability in the first half-year of 2018/2019 which KPS was reporting prior to the acquisitions that exerted a partly negative impact on the results.”

The Executive Board of KPS AG continues to assume stable growth for the current business year and confirms the forecast for the business year 2018/2019 issued in January 2019. It expects a slight increase in sales to between 170 million and 180 million euros, and a significant rise in EBITDA to an amount within the corridor between 22 million and 27 million euros.

The comprehensive half-year report for 2018/2019 is available for download with immediate effect at www.kps.com.

13 May 2019

KPS AG
The Executive Board

About KPS

KPS is Europe’s leading transformation consultancy for companies who want to radically focus on the customer and realign their business processes and technologies accordingly. KPS delivers everything from a single source: strategy consulting, industry-specific process chains as well as the implementation of the latest technologies. KPS is one of the few consulting partners who advise their clients end-to-end and integrate ERP, B2B and B2C commerce with Marketing & Sales processes. Especially in a digital world, the capability to execute projects faster is a clear and significant competitive advantage: The KPS Rapid-Transformation® methodology accelerates projects by up to 50 percent. With around 1000 consultants in 12 countries, KPS continues to expand its market position by delivering successful digital and technological transformation projects.

Reshape and transform rapidly. Your business in a digital world. www.kps.com

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