



Financial Results First Quarter 2018

Electronics Market in Good Condition

- 3M 2018 group sales at EUR 38.0 million (3M 2017: EUR 35.4 million), plus 7.4% compared to prior year; Organic Growth Rate¹⁾ 3M 2018: plus 10.4% (3M 2017: plus 11.5%)
- 3M 2018 group EBITDA¹⁾ at EUR 3.1 million (3M 2017: EUR 1.9 million), up 62.9% versus 3M 2017
- Positive net income for the first quarter 2018 of EUR 0.8 million (3M 2017: minus EUR 0.4 million)
- 3M Group Cash Flow from operating activities reached minus EUR 1.0 million (3M 2017: minus EUR 2.9 million)
- On 31 March 2018, Order Backlog¹⁾ at EUR 113.0 million (plus EUR 17.0 million compared to 31 March 2017), cash at EUR 27.0 million, Net Debt¹⁾ at EUR 0.8 million (31.12.2017: Net Cash EUR 0.7 million), Equity Ratio¹⁾ at 56.3% (31.12.2017: 57.4%)

Luxembourg, 30 April 2018 – Q1 2018 sales of exceet amounted to EUR 38.0 million, an increase by 7.4% versus the corresponding quarterly figure of the previous year and surpassing the turnover of the preceding quarter by 9.7%. In Q1 2018 an EBITDA of EUR 3.1 million was achieved, +62.9% compared to Q1 2017 and +107.3% versus the preceding Q4 2017. EBIT reached EUR 1.4 million after it had been marginally positive one year ago. exceet's Order Backlog increased further to EUR 113.0 million after having exceeded the EUR 100.0 million mark at the end of 2017 (31.12.2017: EUR 107.3 million).

Electronic Components, Modules & Systems (ECMS) which accounts for 93.9% of group sales, increased its external net sales by 8.6% to EUR 35.7 million during the first three months of 2018 (3M 2017: EUR 32.8 million). The EBITDA of the segment reached EUR 4.1 million, plus 28.0% compared to the prior year (3M 2017: EUR 3.2 million) reflecting an EBITDA Margin for the segment of 11.4% (3M 2017: 9.7%).

1) See note 19 "Alternative Performance Measures (APM)" Page 27-29

http://www.exceet.com/fileadmin/exceet/downloads/ir/q_bericht/exceet_Group_Q1_2018_Quarterly_Report.pdf#page=27

The positive sales trend of 2017 continued during the first three months of 2018 and has set a favourable basis for the group's further business development in 2018. This was achieved with new projects and higher volumes ordered by existing customers in a positive market environment. The pick-up of sales in Ebbs (Austria) leveraged positively the performance of group revenues. Higher order volumes and a strong backlog situation supported this positive development.

The increasing demand for exceet's wafer backend solution which offers added-value features along the entire value chain for high-end micro- and opto-electronic solutions was an additional positive aspect of the first quarter. On the other side, the sales of medical grade body wearable products continued to be moderate due to project delays.

The group's high-end printed circuit board business which is focused on miniaturized applications for the medical industry started into 2018 on a stable level. The ongoing development of the semi-additive process looks promising and will be continued in 2018.

In addition, the integrated development of hardware and software becomes more and more important for the segment. The demand for microprocessor related product suites as well as for customer-specific product bundles like control units and displays continues to be on a high level.

exceet Secure Solutions (ESS) contributed 6.1% to group sales and generated external revenues of EUR 2.3 million in the first three months of the year, minus 9.2% versus the prior year figure (3M 2017: EUR 2.6 million). The EBITDA for the reporting period remained negative with minus EUR 0.2 million versus minus EUR 0.6 million for the same period last year.

The segment was able to win new customers in the field of electrical interconnect and automation solutions as well as in new markets like renewable energy production. The modular product suite "exceet connect" which ensures secure communication between users and devices was launched and first customer orders have been received.

In collaboration with partners, exceet will combine the block chain technology with classic cryptographic solutions and at the same time integrate hardware security modules (HSM) in its product suite. Together with its eSignature and HSM solutions, ESS offers a complete digital and secure communication portfolio.

Outlook

After an overall satisfying business year 2017, the first quarter of the new fiscal year confirmed the management's positive expectations that had already been expressed in the 2017 full year report and gives cause for further optimism. Latest order backlog figures have been marking a fresh record level for the group and suggest a reasonable assumption of a mid-single digit organic top line growth for the current portfolio of exceet's electronics activities. A pre-condition for this scenario is the absence of major general economic or industry-related disruptions. Points of concerns to be mentioned are geopolitical conflicts, trade conflicts, Eurozone tensions, global indebtedness and monetary policy. With respect to the electronics industry, electronic material shortages and longer lead times for specific components have to be outlined again. Also, a lack of highly qualified employees remains a crucial factor for future growth.

1) See note 19 "Alternative Performance Measures (APM)" Page 27-29

http://www.exceet.com/fileadmin/exceet/downloads/ir/q_bericht/exceet_Group_Q1_2018_Quarterly_Report.pdf#page=27

The EBITDA margin has entered a solid recovery process and is now catching up step-by-step. But the project driven characteristics of exceet's business – as outlined several times before – can lead to a certain volatility of this figure on a quarterly basis.

exceet's portfolio seems to be in a promising position to create further value for exceet's shareholders. The Management and Board of Directors continue to assess exceet's activities to improve the value of its portfolio. This may result in an active portfolio management which includes the acquisition and sale of companies.

If the coming shareholder meeting of 2 May 2018 approves the transfer of the registered office of the company, the new address will be:

17, rue de Flaxweiler, L-6776 Grevenmacher (Luxembourg)
New phone number from 1 July 2018 - +352 283 84 720

Annex: Performance and Structural Data first quarter 2018

Complete Interim Management Report on the first quarter 2018 available at
http://www.exceet.com/fileadmin/exceet/downloads/ir/q_bericht/exceet_Group_Q1_2018_Quarterly_Report.pdf

and Company Presentation at
http://ir.exceet.com/fileadmin/exceet/downloads/ir/presentations/exceet_Group_Q1_2018_Company_Presentation.pdf

Please contact for further information:

Wolf-Günter Freese, CEO & CFO - Email: Investor.relations@exceet.com
exceet Group SE
115 avenue Gaston Diderich
L-1420 Luxembourg
Phone +352 26 29 91 22

ISIN LU0472835155 (Public Shares), Regulated Market, Prime Standard, Frankfurt/Main

exceet will announce half year results 2018 on 6 August 2018
(after closing of the market)

About exceet

exceet is a portfolio of international technology companies which are specialized in the development and production of intelligent, complex and secure electronics.

exceet			
Performance and Structural Data			
(in EUR million, expenses & cash out in parentheses)	1 st Quarter		
	2018	2017	Change
Income Statement			
Net Sales	38.0	35.4	+7.4%
- Electronic Components Modules & Systems (ECMS) ¹⁾	35.7	32.8	+8.8%
- exceet Secure Solutions (ESS) ¹⁾	2.3	2.6	-11.5%
Gross Profit	5.4	4.4	+22.7%
EBITDA	3.1	1.9	+62.9%
<i>in % of Net Sales</i>	8.2%	5.4%	+2.8pp
- Electronic Components Modules & Systems (ECMS)	4.1	3.2	+28.1%
- exceet Secure Solutions (ESS)	(0.2)	(0.6)	+66.7%
EBIT	1.4	0.0	n.a.
<i>in % of Net Sales</i>	3.8%	0.0%	+3.8pp
Net Income	0.8	(0.4)	n.a.
- per Class A Share	EUR 0.04	(0.02)	n.a.
Backlog	113.0	96.0	+17.7%
Cash Flow Statement			
Cash Flow from operations before change in net working capital	3.2	1.7	+88.2%
Change in net working capital ²⁾	(3.2)	(3.6)	n.a.
Cash Flow from operations	(1.0)	(2.9)	n.a.
Capex (incl. finance lease agreements) ²⁾	(1.0)	(1.0)	0.0%
Free Cash Flow ²⁾	(1.9)	(3.9)	n.a.
(in EUR million, expenses & cash out in parentheses)	31.03.2018	31.12.2017	Change
Balance Sheet			
Total Assets	133.3	130.2	+2.4%
Cash	27.0	29.0	-6.9%
Net Financial Debt / (Cash) ²⁾	0.8	(0.7)	n.a.
Goodwill	12.6	12.7	-0.8%
Shareholders' equity	75.0	74.7	+0.4%
Employees (full-time-equivalent)	637	636	+0.2%

1) 3rd party net sales only

2) See note 19 "Alternative Performance Measures (APM)" Page 27-29

http://www.exceet.com/fileadmin/exceet/downloads/ir/q_bericht/exceet_Group_Q1_2018_Quarterly_Report.pdf#page=27