



Amadeus FiRe AG

Unaudited Half-Year Financial Report 2019

01.01. – 30.06.2019

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

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Unaudited Amadeus FiRe Group financial summary

Amounts stated in EUR k	01.01.-30.06.2019	01.01.-30.06.2018	Divergency in per cent
Revenue	110,906	97,818	13.4%
Gross profit in per cent	51,711 46.6%	45,514 46.5%	13.6%
EBITDA in per cent	20,860 18.8%	15,874 16.2%	31.4%
EBITA in per cent	17,585 15.9%	15,193 15.5%	15.7%
EBIT in per cent	17,585 15.9%	15,193 15.5%	15.7%
Profit before income taxes in per cent	17,466 15.7%	15,199 15.5%	14.9%
Profit after income taxes in per cent	12,053 10.9%	10,447 10.7%	15.4%
Profit attributable to minority interests disclosed under liabilities	-357	-288	24.0%
Profit for the period in per cent	11,696 10.5%	10,159 10.4%	15.1%
- Attributable to non-controlling interests	99	133	-25.6%
- Attributable to equity holders of the parent	11,597	10,026	15.7%
Net cash from operating activities	13,244	9,488	39.6%
Net cash from operating activities per share	2.55	1.83	39.3%
Earnings per share	2.23	1.93	15.5%
Average number of shares	5,198,237	5,198,237	
	30.06.2019	31.12.2018	
Balance sheet total	91,130	83,537	9.1%
Stockholders' equity	38,439	50,967	-24.6%
Return on equity before tax in %	42.2%	61.0%	
Cash and cash equivalents	26,930	44,559	-39.6%
	30.06.2019	30.06.2018	
Number of employees (active)	3,059	2,791	9.6%
thereof temporary staff	2,467	2,257	9.3%

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

Unaudited Half-Year Financial Report 2019 (01.01.2019 - 30.06.2019)

Economic environment

Germany's economy is faltering and the general economic climate is marked by uncertainty. The German economy enjoyed growth in the first quarter of 2019 after more or less stagnating in the second half of 2018, in part due to non-recurring effects. Gross domestic product (GDP) ultimately rose by 0.7% against the previous year in Q1. Yet this good start to the year did not mean that the German economy had overcome its lull. Growth in Germany was 0.8 percentage points lower than the average growth of the EU 28 Member States, where GDP amounted to 1.5% for the same period.

The country's performance in the first quarter of 2019 primarily reflects domestic momentum. Private consumer spending rose by 1.1% and public consumer spending by 1.4%. Investment in equipment climbed by 2.3% and construction investments by a considerable 5.3%. Exports also picked up by 1.5%, although this was offset by a 4.1% rise in imports. This had a significant negative impact on economic growth, causing it to fall by 0.9 percentage points.

The ifo Business Climate Index, which tracks managers' expectations for the German economy, has been below the 100 point mark since the start of the year and reached 97.4 points in June 2019 – the lowest figure since November 2014. The current situation is still regarded as good, whereas expectations for the months ahead are becoming increasingly pessimistic.

The labour market remains stable, with 45.1 million people in work in May of the current year (up 1.0% on the same month of the previous year). According to the latest figures published by the German Federal Employment Agency, the number of jobs paying social insurance contributions rose slightly more significantly by 1.8% to 33.4 million in April 2019. Unemployment, adjusted for seasonality, has continued to decline and currently stands at 4.9%. The labour market is largely robust, but momentum is waning as the economic downturn increasingly makes itself felt.

Industry development

The market for temporary staffing was weak and is currently in decline. According to the German Federal Employment Agency's trend projection, the number of jobs paying social insurance contributions in the temporary employment field was around 10% lower than the previous year's figures in the months from January to April 2019. This marks a continuation of the market downturn, likely due primarily to the weak phase in the industrial sector. It can be assumed that the market for specialised staff is largely stable and that the recruitment of temporary staff remains the source of the bottleneck.

As part of the wage agreement in the temporary work sector in force until the end of 2019, collectively agreed wages for temporary staff rose by 3.0% to 3.2% in the west and 3.5% in the east on 1 April 2019. No further regulatory changes are pending or known for the current financial year.

The ifo employment barometer, an indicator for companies' future staff planning, indicates that companies are becoming increasingly cautious when it comes to hiring new staff. The indicator fell to 100 points in June 2019, with this decline driven chiefly by the manufacturing sector. The BA-X jobs index from the German Federal Employment Agency, which signals demand for labour, was unable to maintain the consistently high level of Q1 2019 in the second quarter. In June 2019, this was at 248 points, 2.4% down on the previous year. Despite everything, demand for labour remains high. It is still a major challenge for companies to fill their vacancies with adequate candidates.

Business performance and result of operations

The Amadeus FiRe Group generated consolidated revenue of EUR 110,906 thousand in the first half of the 2019 financial year, an increase of 13.4% on the same period of the previous year (EUR 97,818 thousand). All business segments contributed to the growth in revenue.

The individual services account for the following shares of revenue:

Amounts stated in EUR k	Jan – Jun 2019	Jan – Jun 2018	Divergency in per cent
Temporary staffing	73,241	64,484	13.6%
Personnel placement	20,113	17,838	12.8%
Interim/project management	6,131	4,761	28.8%
Personnel services segment	99,485	87,083	14.2%
Training segment	11,421	10,735	6.4%
Total	110,906	97,818	13.4%

The number of billable days in the reporting period was one day less than in the prior-year period. This had a negative impact of EUR 0.6 million on revenue, gross profit and earnings before taxes. Later in the year, this will be countered and neutralised by an extra billable day in the third quarter.

The Amadeus FiRe Group's gross profit climbed by 13.6% to EUR 51,711 thousand in the first six months of the year (previous year: EUR 45,514 thousand). The gross profit margin improved by 0.1 percentage points to 46.6% (previous year: 46.5%). Given the lack of one working day and the strong growth seen by temporary staffing, which has comparatively weak margins, this is a good improvement.

Selling and administrative expenses increased by 12.6% to EUR 34,256 thousand (previous year: EUR 30,432 thousand). This rise is essentially a result of higher staff costs. The ongoing expansion of the sales organisation continued successfully. The expansion so far affects the Amadeus FiRe Group's existing locations and a new branch in Nuremberg.

EBITA climbed by 15.7% to EUR 17,585 thousand (previous year: EUR 15,193 thousand). This increase was achieved despite the reporting period including one fewer billable day. The EBITA margin improved by 0.4 percentage points to 15.9% in the reporting period (previous year: 15.5%).

Net income for the first half of 2019 amounted to EUR 12,053 thousand, bettering the figure for the previous year by 15.4% (EUR 10,447 thousand). EUR 357 thousand of this (previous year: EUR 288 thousand) relates to non-controlling interests reported under liabilities.

Earnings per share, based on the net profit for the period attributable to the ordinary shareholders of the parent company, rose by 30 cents to EUR 2.23 (previous year: EUR 1.93).

Segment development

Temporary Staffing, Permanent Placement, Interim/Project Management

Revenue in the Personnel Services segment rose by 14.2% to EUR 99,485 thousand in the first half of 2019 (previous year: EUR 87,083 thousand).

Temporary Staffing revenue increased by 13.6% as against the same period of the previous year (previous year: up +7.3%). The one billable day less in the reporting period compared to the same period of the previous year initially had a negative effect on revenue, gross profit and earnings of around EUR 0.6 million. This was countered by the fact that the seasonal decline in orders in Temporary Staffing at the beginning of 2019 was somewhat lower than the long-term average. At the beginning of 2018, the start to the year saw an additional, non-recurring drop-off in orders of around 3 percentage points as a result of the first-time application of the equal pay regulation. Sick leave was somewhat more moderate than in the previous year, which accordingly had a positive impact on the utilisation of Amadeus FiRe's temporary staff.

Average hourly rates increased by 3.8% in the first half of 2019 (previous year: up 4.8%). The upturn reflects higher wages earned by Amadeus FiRe's temporary staff.

In light of the shortage of skilled workers on the labour market, Permanent Placement is continuing to perform well. With revenue of EUR 20,113 thousand in the first half of the reporting period, the figure for the same period of the previous year was surpassed by 12.8% (previous year: EUR 17,838 thousand). The shortage of qualified specialists and executives on the labour market is making it difficult for companies to implement their recruitment plans. As a result, companies are willing to invest into recruiting candidates and seek help from specialists such as Amadeus FiRe to do so.

Revenue from Interim/Project Management was up 28.8% year-on-year at EUR 6,131 thousand, a significant rise (previous year: EUR 4,761 thousand). This business expansion in the first half of the year was the result of diverse measures that step up the focus in the regions on Interim/Project Management.

The result in the Personnel Services segment improved by 16.3% to EUR 16,186 thousand in the first half of 2019 (previous year: EUR 13,919 thousand).

Training

Revenue in the Training segment amounted to EUR 11,421 thousand in the first half of 2019, a rise of 6.4% on the previous year (EUR 10,735 thousand). In particular, revenue growth was driven by classic training courses such as preparing for the tax consultant exam and in-house seminars for customers.

Segment earnings rose by 9.8% to EUR 1,399 thousand (previous year: EUR 1,274 thousand).

Net assets and financial position

The new lease standard IFRS 16 was applied for the first time in the 2019 financial year within the framework of international accounting. Under this, right-of-use assets such as cars or office space are now capitalised. At the beginning of the year, this resulted in a significant increase in total assets and liabilities as a result of the first-time capitalisation. As at 30 June 2019, rights of use from existing lessee contracts of the Amadeus FiRe Group are recognised in non-current assets in the amount of EUR 21.1 million.

The changes to accounting introduced as a result of IFRS 16 also impact the presentation of cash flows. Cash flows from operating activities are improved thanks to writing down rights of use. The counter-effect can be found in financing activities, where repayment of lease liabilities is recognised.

The cash flow from operating activities picked up by EUR 3,756 thousand to EUR 13,244 thousand in the first half of 2019 (previous year: EUR 9,488 thousand). Operating earnings before changes in working capital initially improved by EUR 4,976 thousand thanks to the positive business performance and the lease effect (previous year: EUR 1,004 thousand). There were negative effects from lower net working capital, higher trade receivables as a result of sales and higher income taxes paid than in the same period of the previous year.

Cash used in investing activities increased by EUR 908 thousand to EUR 3,087 thousand (previous year: EUR 2,179 thousand). This rise is essentially due to the application of IFRS 16 (EUR 1,468 thousand). Further investment fell slightly against the previous year, when the new Group headquarters were occupied for the first time. Investments in IT systems and operating materials for branches remained the primary areas of investment.

A dividend of EUR 24,224 thousand was paid to the shareholders of Amadeus FiRe AG in the reporting period (previous year: EUR 20,585 thousand). This corresponds to a distribution of EUR 4.66 per share (previous year: EUR 3.96). Furthermore, financing activities in the first half of 2019 included net payments of EUR 1,165 thousand for the distribution to the non-controlling interests in Steuer-Fachschule Dr. Endriss (previous year: EUR 1,282 thousand).

Net cash and cash equivalents amounted to EUR 26,930 thousand as at 30 June 2019 after EUR 28,845 thousand for the same period of the previous year.

The equity ratio declined to 42.2% as at 30 June 2019 (previous year: 61.0%). This significant change reflects the increase in total assets and liabilities following the initial application of IFRS 16.

Employees

Internal recruitment efforts have been successful to date in the first half of 2019. In the reporting period, the number of employees in the sales organisation increased by an average of 49 year-on-year to 542 at the end of the first half of 2019. The number of external employees placed with customers was 2,467 at the end of the first half of 2019 (previous year: 2,257).

The table below shows the total number of employees in work:

Number of employees per	30.06.2019	30.06.2018
Employees working for a customer (external employees)	2,467	2,257
Sales employees (internal staff)	542	492
Administrative staff	50	42
Total	3,059	2,791
Trainees	11	12

Risks and opportunities

The general conditions as described in the current annual report have deteriorated slightly but there are no significant changes for the Amadeus FiRe Group. Economic growth of between 0.5% and 1.0% is expected in Germany for 2019 as a whole. Growth in the euro area is forecast to be somewhat higher in the same period at 1.2%. At present, the ongoing trade conflict between the US and China and the still unclear outcome of Brexit between the United Kingdom and the European Union represent sources of uncertainty. How the situation with the Iran nuclear deal will develop is uncertain and remains to be seen.

The Ifo Business Climate Index has fallen short of the 100 point mark since the start of the year, reaching a level of 97.4 points in June. This is attributable to global trade and geopolitical conflicts prevailing at present, which are hurting exports and creating a sense of general uncertainty.

Thanks to the good state of the German economy, the blue collar-dominated total market for temporary staffing has performed better than the qualified white collar market relevant to Amadeus FiRe over the last few years, but the picture for 2019 looks different. The blue collar-market for temporary staffing, which responds early on in the cycle, has been experiencing declining numbers of orders and temporary staff since the middle of last year. In the smaller white collar market of qualified workers, which responds more slowly, there has been no change to customers' high demand for temporary staff, with demand continuing to outstrip supply and finding employees remaining a challenge.

There are currently no discernible risks to the Amadeus FiRe Group as a going concern. Please see the risk report in the 2018 annual report for more details.

Forecast

The Deutsche Bundesbank expects exports to gradually improve in the second half of 2019. That would provide an opportunity for the industry to get its foot back in the door. Private consumption and investment are likely to rise steadily later in the year. Employment growth is continuing to flag on the back of demographic factors. Fiscal policy seems expansive for this year and the years ahead. All told, transparency regarding economic prospects is not good and uncertainty amongst market participants is high.

The IAB Labour Market Barometer, a leading indicator for developments in employment and unemployment, has been trending downwards since the beginning of the year, falling by 0.6 points to 102.1 points in June 2019. The unemployment indicators are forecasting a rise in unemployment figures, adjusted for seasonal factors, in the next few months. One cause of this is weak economic growth, which damages job prospects. Employment indicators, on the other hand, point to a further slight rise in the number of people in work on a level basis.

There were 66 days in the third quarter of 2019, one billable day more than in the same period of the previous year. This is expected to have a positive impact on revenue, gross profit and earnings before taxes of EUR 0.6 million in the next quarter. This also balances out the number of billable days when comparing 2019 and 2018 (250 days) and means that there will be no effects due to billable days for 2019 as a whole compared to 2018.

Q3 has 66 days, i.e. seven additional billable days in comparison to the previous quarter (59 days). This should translate into relatively higher revenue, gross profit and earnings in the next quarter.

Despite the diminishing momentum on the labour market, there is still a shortage of skilled workers and thus an excess demand for qualified staff. Recruitment will remain the major challenge for many companies. In the long-term, demographic change in Germany will only exacerbate the shortfall of qualified staff, further limiting the size of the working population and the number of qualified professionals looking for work. Regardless of increasing salaries for temporary staff, these factors make it more difficult to find and employ candidates for a temporary position within the context of personnel leasing. The recruitment market for qualified professional and managerial staff is likely to continue to benefit from the situation described above.

The Amadeus FiRe Group's expansion targets for 2019 have been achieved so far. The corresponding growth in recruitment and sales resources should continue to offer good market prospects for all personnel services provided.

In the Training segment, the conditions for the second half of the year are positive in view of the annual calendar of events. In line with planning, a higher contribution to earnings is therefore projected. The business segment is developing as expected overall.

Amadeus FiRe AG's Management Board raises its earnings forecast for the 2019 financial year. Earnings generated in the first half of the year so far have exceeded original expectations. All personnel services have made a contribution to increasing gross profit more clearly than planned. In contrast, selling and administrative expenses rose in line with expectations. Thus, the personnel requirements have been created to be able to continue to develop the services of the Amadeus FiRe Group in a positive way.

So far, EBITA growth of around 5% was forecasted for the 2019 financial year. At EUR 17.6 million, the EBITA of the Amadeus FiRe Group for the first half of the year was 15.7 percent above the prior-year figure. For the second half of the year, the Management Board expects a fundamentally unchanged supply and demand market situation.

On this basis, the Management Board now expects to be able to expand the previous year's EBITA by more than 10 percent for the fiscal year 2019.

Report on major related party transactions

There were no material transactions with related parties in the reporting period.

Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the group for the remaining months of the financial year.

Frankfurt/Main, 24 July 2019



Robert von Wülfing
Spokesman of the Management Board



Dennis Gerlitzki
Management Board

Unaudited consolidated income statement

1st half-year 2019

Amounts stated in EUR k	01.01.–30.06.2019	01.01.–30.06.2018
Revenue	110,906	97,818
Cost of sales	-59,195	-52,304
Gross profit	51,711	45,514
Selling expenses	-29,362	-25,660
- thereof impairment of financial assets	-246	-131
General and administrative expenses	-4,894	-4,772
Other operating income	132	117
Other operating expenses	-2	-6
Profit from operations before goodwill impairment	17,585	15,193
Impairment of goodwill	0	0
Profit from operations	17,585	15,193
Finance costs	-123	0
Finance income	4	6
Profit before taxes	17,466	15,199
Income taxes	-5,413	-4,752
Profit after taxes	12,053	10,447
Profit attributable to non-controlling interests recognized under liabilities	-357	-288
Profit for the period	11,696	10,159
- Attributable to non-controlling interests	99	133
- Attributable to equity holders of the parent	11,597	10,026
Earnings per share, in relation to the profit for the period attributable to the ordinary equity holders of the parent		
basic (euro/share)	2.23	1.93
diluted (euro/share)	2.23	1.93

Unaudited consolidated statement of comprehensive income

1st half-year 2019

Amounts stated in EUR k	01.01.–30.06.2019	01.01.–30.06.2018
Profit for the period	11,696	10,159
Other comprehensive income	0	0
Total comprehensive income for the period	11,696	10,159
- Attributable to non-controlling interests	99	133
- Attributable to equity holders of the parent	11,597	10,026

Unaudited consolidated income statement

2nd quarter 2019

Amounts stated in EUR k	01.04.–30.06.2019	01.04.–30.06.2018
Revenue	55,596	49,598
Cost of sales	-30,059	-26,130
Gross profit	25,537	23,468
Selling expenses	-14,481	-12,848
- thereof impairment of financial assets	-22	-100
General and administrative expenses	-2,488	-2,422
Other operating income	70	64
Other operating expenses	-1	-5
Profit from operations before goodwill impairment	8,637	8,257
Impairment of goodwill	0	0
Profit from operations	8,637	8,257
Finance costs	-61	0
Finance income	2	5
Profit before taxes	8,578	8,262
Income taxes	-2,644	-2,564
Profit after taxes	5,934	5,698
Profit attributable to non-controlling interests recognized under liabilities	190	-213
Profit for the period	5,744	5,485
- Attributable to non-controlling interests	79	104
- Attributable to equity holders of the parent	5,665	5,381
Earnings per share, in relation to the profit for the period attributable to the ordinary equity holders of the parent		
basic (euro/share)	1.09	1.04
diluted (euro/share)	1.09	1.04

Unaudited consolidated statement of comprehensive income

2nd quarter 2019

Amounts stated in EUR k	01.04.–30.06.2019	01.04.–30.06.2018
Profit for the period	5,744	5,485
Other comprehensive income	0	0
Total comprehensive income for the period	5,744	5,485
- Attributable to non-controlling interests	79	104
- Attributable to equity holders of the parent	5,665	5,381

Unaudited consolidated balance sheet

1st half- year 2019

Angaben in TEUR	30.06.2019	31.12.2018
Assets		
Non-current assets		
Software	5,098	4,600
Goodwill	6,935	6,935
Property, plant and equipment	3,219	2,913
Rights of use from leased objects	21,064	-
Deferred tax assets	1,165	1,123
	37,481	15,571
Current assets		
Trade receivables	24,988	22,782
Other assets	88	74
Prepaid expenses	1,643	551
Cash and cash equivalents	26,930	44,559
	53,649	67,966
Total assets	91,130	83,537
Equity and liabilities		
Equity		
Subscribed capital	5,198	5,198
Capital reserves	11,247	11,247
Retained earnings	21,135	33,762
Equity attributable to equity holders of the parent	37,580	50,207
Non-controlling interests	859	760
	38,439	50,967
Non-current liabilities		
Liabilities to non-controlling interests	5,849	5,650
Other liabilities and accrued liabilities	18,162	1,918
Deferred tax liabilities	616	616
	24,627	8,184
Current liabilities		
Trade payables	1,945	2,189
Contract liabilities	4,453	3,867
Liabilities to non-controlling interests	645	1,652
Income tax liabilities	731	1,024
Other liabilities and accrued liabilities	20,290	15,654
	28,064	24,386
Total equity and liabilities	91,130	83,537

Unaudited consolidated cash flow statement

1st half-year 2019

Amounts stated in EUR k	01.01. – 30.06.2019	01.01. – 30.06.2018
Cash flows from operating activities		
Profit for the period before profit attributable to non-controlling interests	12,052	10,447
Tax expense	5,413	4,752
Amortisation, depreciation and impairment of non-current assets	3,275	681
Finance income	-4	-6
Finance costs	123	0
Non-cash transactionn	-27	-18
Operating profit before working capital changess	20,832	15,856
Increase/decrease in trade receivables and other assets	-2,221	-1,879
Increase/decrease in prepaid expenses and deferred income	-1,092	-554
Increase/decrease in trade payables and other liabilities and accrued liabilities	1,597	958
Other non-cash income	0	0
Cash flows from operating activities	19,116	14,381
Interest paid	-123	0
Income taxes paid	-5,749	-4,893
Net cash from operating activities	13,244	9,488
Cash flows from investing activities		
Cash paid for intangible assets and property, plant and equipment	-3,091	-2,197
Receipts from the disposal of assets	0	12
Interest received	4	6
Net cash used in investing activities	-3,087	-2,179
Cash flows from financing activities		
Dividends paid to non-controlling interests in partnerships	-1,165	-1,282
Cash paid to non-controlling interests	0	0
Cash paid for the repayment of liabilities from leases	-2,397	-
Profit distributions	-24,224	-20,585
Net cash used in financing activities	-27,786	-21,867
Net change in cash	-17,629	-14,558
Cash at the beginning of the period	44,559	43,403
Cash at the end of the period	26,930	28,845
Composition of cash as of 30 June		
Cash on hand and bank balances (without drawing restrictions)	26,930	28,845

Unaudited statement of changes in group equity

1st half-year 2019

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		
01.01.2018	5,198	11,247	0	30,122	46,567	558	47,125
Total comprehensive income for the period	0	0	0	10,026	10,026	133	10,159
Profit distributions	0	0	0	-20,585	-20,585	0	-20,585
30.06.2018	5,198	11,247	0	19,563	36,008	691	36,699
01.07.2018	5,198	11,247	0	19,563	36,008	691	36,699
Total comprehensive income for the period	0	0	0	14,199	14,199	112	14,311
Profit distributions	0	0	0	0	0	-43	-43
31.12.2018	5,198	11,247	0	33,762	50,207	760	50,967
01.01.2019	5,198	11,247	0	33,762	50,207	760	50,967
Total comprehensive income for the period		0	0	11,597	11,597	99	11,696
Profit distributions	0	0	0	-24,224	-24,224	0	-24,224
30.06.2019	5,198	11,247	0	21,135	37,580	859	38,439

Unaudited information on the business segments

1st half-year 2019

Amounts stated in EUR k	Temporary Staffing/ Permanent Placement/Interim- and Project Management	Training	Group
01.01.-30.06.2019			
Revenue*			
Segment revenue	99,485	11,421	110,906
Result			
Segment result before goodwill impairment (EBITA)	16,186	1,399	17,585
Finance costs	94	29	123
Finance income	1	3	4
Profit before tax	16,093	1,373	17,466
Income taxes	5,220	193	5,413
Segment assets	71,589	19,541	91,130
01.01.-30.06.2018			
Revenue*			
Segment revenue	87,083	10,735	97,818
Result			
Segment result before goodwill impairment (EBITA)	13,919	1,274	15,193
Finance costs	0	0	0
Finance income	4	2	6
Profit before tax	13,923	1,276	15,199
Income taxes	4,576	176	4,752
Segment assets	54,318	13,095	67,413

*) Revenue between segments of EUR k 0 (prior year: EUR k 7) and EUR k 10 (prior year: EUR k 14) was not consolidated.

Notes

Information on the company

The condensed interim consolidated financial statements for the first six months of the 2019 financial year were approved for publication by way of resolution of the Management Board on 24 July 2019.

Amadeus FiRe AG is a stock corporation under German law. Its registered office is Frankfurt/Main, Germany. It has been listed on the regulated market of the Frankfurt Stock Exchange since 4 March 1999 and was admitted to the Prime Standard on 31 January 2003.

The activities of the Group's companies comprise the provision of temporary staffing and temporary management services within the framework of the "Arbeitnehmerüberlassungsgesetz" (AÜG – German Personnel Leasing Act), permanent placement and recruitment, interim/project management as well as the provision of training in the areas of tax, finance and accounting and controlling.

Accounting in accordance with International Financial Reporting Standards (IFRS)

In accordance with Article 4 of Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002 (section 315a(1) of the Handelsgesetzbuch (HGB – German Commercial Code)), Amadeus FiRe AG is required to apply the International Financial Reporting Standards. This interim financial report was prepared in accordance with the currently applicable IFRSs of the International Accounting Standards Board (IASB) and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC).

The Amadeus FiRe Group applied IFRS 16 for the first time as at 1 January 2019. It made use of the option under IFRS 16 C8 (b) (ii), according to which the right of use was recognised at the amount of the lease liability at the time of initial application. The standard was applied for the first time in accordance with the modified retrospective method; i.e. the comparative period was not restated with regard to IFRS 16.

The Amadeus FiRe Group also makes use of the practical expedients for short-term leases (contract term < 12 months) and low-value leases.

The initial application of the right-of-use model resulted in an increase in total assets and liabilities at the time of initial application at the Amadeus FiRe Group due to the rise in lease liabilities and fixed assets resulting from the rights of use to be capitalised in the amount of around EUR 23 million. Lease expenses are no longer recognised directly as expenses in the consolidated income statement, but rather as write-downs on the right of use and interest expense. In terms of Group operating leases, the repayment portion of lease payments from previous operating leases reduces cash flows from financing activities, as opposed to cash flows from operating activities as previously. In future, the interest portion of lease payments will also be shown in cash flows from financing activities. This change to the allocation of the repayment portion of lease payments thus improves cash flows from operating activities and increases cash outflows from financing activities.

Disclosures in accordance with IFRS 16.53 and IFRS 16.58 on leases

Amounts stated in EUR k	30.06.2019	Previous year
Write-downs on right-of-use assets		
Buildings on third-party property	1,883	-
Motor vehicles	553	-
Operating and office equipment	20	-
Total write-downs on right-of-use assets	2,456	-
Interest expense for liabilities	123	-
Expenses from short-term leases	778	-
Expenses from low-value leases	20	-
Cash outflows	2,398	-
Additions to right-of-use assets		
Buildings on third-party property	705	-
Motor vehicles	763	-
Operating and office equipment	0	-
Total additions to right-of-use assets	1,468	-
Carrying amount of right-of-use assets		
Buildings on third-party property	19,299	-
Motor vehicles	1,729	-
Operating and office equipment	36	-
Total carrying amount of right-of-use assets	21,064	-

Amounts stated in EUR k	<1 year	>1 <5 years	>5 years	Total
Breakdown of maturities				
Buildings on third-party property	3,789	10,194	5,843	19,826
Motor vehicles	955	775	0	1,730
Operating and office equipment	36	0	0	36
Total liabilities	4,780	10,969	5,843	21,592

Presentation method

The interim financial statements were prepared in accordance with IAS 34 (Interim Financial Reporting) and DRS 16.

Accounting policies

All accounting policies are applied as in the last consolidated financial statements as at 31 December 2018. A detailed description of these methods was published in the notes to the financial statements in Amadeus FiRe AG's annual report for the 2018 financial year.

Other comprehensive income

Other comprehensive income amounts to EUR 0 thousand in the reporting period.

Dividend payment

By way of resolution of the Annual General Meeting on 23 May 2019, a dividend of EUR 4.66 per share was distributed to the shareholders of Amadeus FiRe AG, resulting in a total cash outflow of EUR 24,224 thousand. The dividend was EUR 3.96 per share in the previous year.

Calculation of income taxes

Income taxes were calculated on basis of the earnings generated by the individual companies in the reporting period. The table below breaks down the composition of the "Income taxes" item as follows:

Amounts stated in EUR k	30.06.2019	30.06.2018
Current income taxes		
Current tax expense	5,456	4,790
Deferred taxes		
Origination and reversal of temporary differences	-43	-38
Income taxes	5,413	4,752

Basis of consolidation

There have been no changes in the basis of consolidation since the end of the 2018 financial year.

Segment reporting

For management purposes, the Group's services are divided into the two following reportable segments:

- The "Temporary Staffing, Permanent Placement, Interim/Project Management" segment includes all qualified personnel services with a focus on temporary employment.
- The "Training" segment offers training and seminars in the field of finance and accounting throughout Germany.

Please see page 4 of the 2019 half-year financial report for disclosures on classifying revenue in the business units in accordance with IFRS 15.114.

The results of the business units are monitored separately by management to make decisions on the allocation of resources and to determine the units' profitability.

Miscellaneous

This interim financial report was prepared in accordance with the provisions of section 37w of the *Wertpapierhandelsgesetz* (WpHG – German Securities Trading Act), but has not been audited in accordance with section 317 HGB or reviewed by the auditor.

Significant events after the end of the reporting period

There were no significant events after the end of the reporting period.

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Financial Calendar

24.10.2019	Quarterly Statement Nine Months for fiscal year 2019
October 2019	International Roadshow
March 2020	Press conference and analyst meeting for fiscal year 2019
March 2020	Publication of the Annual Financial Report 2019
April 2020	Quarterly Statement First Quarter for fiscal year 2020
April 2020	International Roadshow
May 2020	Shareholders' General Meeting