



INTERIM MANAGEMENT STATEMENT  
FOR THE 1ST QUARTER 2017

## Results

Key Figures of 11880 Solutions Group at a glance

in EUR million	3M 2018	3M 2017	Variance absolute	Variance in percent
<b>Revenues and earnings 11880 Solutions Group</b>				
Revenues	10.6	10.4	0.2	2 %
EBITDA <sup>1</sup>	0.0	0.0	0.0	–
Net loss	-1.6	-1.9	0.3	-16 %
<b>Details Segments</b>				
Revenues Digital	7.5	6.7	0.8	12 %
EBITDA <sup>1</sup> Digital	0.4	0.1	0.3	–
Revenues Directory Assistance	3.1	3.7	-0.6	-16 %
EBITDA <sup>1</sup> Directory Assistance	-0.4	-0.1	-0.3	–
<b>Statement of financial position</b>				
Total assets	23.3	26.2	-2.9	-11 %
Cash and cash equivalents <sup>2</sup>	4.6	6.0	-1.4	-23 %
Equity	12.3	14.0	-1.7	-12 %
Equity ratio (in percent)	52.8 %	53.4 %	–	–
<b>Cash Flow</b>				
Cash flow from operating activities	-0.9	-0.3	-0.6	–
Cash flow from investment activities	2.1	1.0	1.1	–
Cash flow from financing activities	-0.1	0.0	-0.1	–
Net Cash flow <sup>3</sup>	-1.4	-0.9	-0.5	56 %
<b>Key figures for the 11880 share</b>				
Earnings per share (in EUR)	-0.08	-0.10	0.02	-20 %
Share price at year-end (in EUR) <sup>4</sup>	1.13	0.53	0.60	> 100 %
Market capitalisation at year-end	21.6	10.1	11.5	> 100 %
<b>Other KPIs</b>				
Number of employees <sup>5</sup> group	579	626	-47	-8 %

1 Earnings before interest, tax and depreciation

2 Portfolio of cash and cash equivalents as well as financial assets, available for sale

3 The net cash flow is calculated as the operating cash flow plus cash flow from investing activities minus interest expenses, adjusted for the changes in money market and bond funds. To facilitate comparability, the prior-year figure has been adjusted to reflect the current definition.

4 XETRA-closing prices as of last trading day

5 Headcount as of 31 December closing date



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## Course of business, material events

The 2018 financial year got off to an excellent start for 11880 Solutions AG. In the Digital segment, the Company acquired around 1,700 new customers in the first three months, which meant that new customer growth exceeded internal expectations from the very start of the year.

While the Directory Assistance business once again saw a slight decline in call volume, intensive discussions and initial tests were also conducted with potential new customers in the call centre third-party business.

In the Digital segment, werkenntdenBESTEN, the meta search engine for online reviews, performed very well. The number of customers actively using the review management package for their customer engagement is rising steadily. The total number of 11880.com corporate customers rose to a new record high of 27,300 by the end of the first quarter of 2018.

Having declined slightly in the second half of the 2017 financial year due to changes in the Google algorithm, traffic stabilised noticeably again at the start of the year and grew considerably in the first three months of 2018.

At the end of the first quarter, a new agreement was reached to continue the successful collaboration between 11880 Solutions AG and Google, with both parties aiming to sign the agreement by the start of April. This deal would ensure that 11880 Solutions AG remains a premium partner in Google's reseller

programme for a further two years. The Company is also aiming to market products from Microsoft search engine Bing from May 2018 onwards in order to continue optimising the online presence of 11880.com's corporate customers.

Intensive efforts to develop the planned job offering continued in the first quarter of 2018. The new service, which is scheduled to start in the middle of the current financial year, will enable 11880.com's corporate customers to publicise job vacancies widely online. Conversely, 11880.com will search for suitable applicants and suggest them to its SME customers. The difficult staffing situation particularly in the trade sector leads 11880 Solutions AG to assume that this new offering will quickly become established.

In mid-February 2018, former major shareholder ItaliaOnline sold its equity stake to two German investment companies. Solventis Beteiligungen GmbH, headquartered in Mainz, now holds 8.16 percent of shares in 11880 Solutions AG, Rolf Hauschild from Düsseldorf holds 10.2 percent. A few days later, Düsseldorf firm Euroweb Beteiligung GmbH announced the acquisition of a 5.4 percent stake in the Company, thus reducing the free float of 11880 Solutions shares to 64.04 percent. The new shareholder structure will also involve changes to the composition of the Supervisory Board. Supervisory Board members Gabriella Fabotti and Antonio Conventi resigned their posts upon selling their shares. Two new members will be appointed to the Supervisory Board at the Annual General Meeting in Essen on 12 June 2018.

# Financial situation

## Results of operations

In the first three months of 2018, the 11880 Group generated consolidated revenues of EUR 10.6 million (previous year: EUR 10.4 million). Further explanations on the segment breakdown and changes to this structure can be found in the "Segment reporting" section.

The cost of revenues fell by EUR 0.6 million compared to the previous year and totalled EUR 5.8 million at the end of the first quarter. These costs were reduced due to lower personnel costs caused by the declining Directory Assistance business and lower depreciation and amortisation.

In the first quarter of 2018, the Group incurred selling and distribution costs of EUR 4.1 million (previous year: EUR 3.6 million). The increase of EUR 0.5 million or 14 percent year-on-year is attributable to the rise in revenues and higher personnel and costs for external services in the Digital business.

As in the previous year, general administrative expenses for the first three months amounted to EUR 2.5 million.

As of 31 March 2018, consolidated earnings before interest, taxes, depreciation and amortisation (EBITDA) totalled EUR 0.0 million, remaining unchanged from the previous year's figure (EUR 0.0 million).

Earnings after taxes improved from EUR -1.9 million in the previous year to EUR -1.6 million.

## Net assets and financial position

### Capital expenditures

In the first quarter of 2018, the Group invested EUR 0.4 million (previous year: EUR 0.6 million). The majority of these capital expenditures related to internally generated intangible assets con-

nected with the improvement and development of products in the Digital segment. Customer contracts and websites with a term of more than 12 months are no longer reported in other intangible assets but in other non-current assets in accordance with IFRS 15. As a result, changes are no longer reported as capital expenditures. The prior-year period still included EUR 0.01 million (customer contracts) and EUR 0.02 million (customer websites).

### Statement of financial position

As of 31 March 2018, total assets amounted to EUR 23.3 million, showing a decrease of EUR 2.9 million compared with 31 December 2017 (31 December 2017: EUR 26.2 million).

On the assets side, current assets declined from EUR 17.9 million as of 31 December 2017 to EUR 15.8 million. This was due to the reduction in cash and cash equivalents and the disposal of available for sale financial assets associated with negative net cash flow totalling EUR 1.4 million for the period (previous year: EUR -0.9 million).

Non-current assets fell by EUR 0.7 million compared to 31 December 2017 to EUR 7.5 million (31 December 2017: EUR 8.2 million). This fall was primarily due to amortisation of intangible assets and depreciation of property, plant and equipment.

On the liabilities side, current liabilities fell by EUR 1.2 million to EUR 10.2 million, primarily as a result of the decline in deferred current liabilities (31 December 2017: EUR 11.4 million). As of the reporting date, the share of deferred current liabilities primarily resulting from deferred revenue was EUR 3.9 million, EUR 1.6 million less than at 31 December 2017.

Non-current liabilities totalled EUR 0.8 million as of the reporting date, in line with the figure reported on 31 December 2017.

Equity declined by EUR 1.6 million to EUR 12.3 million compared to 31 December 2017 (31 December 2017: EUR 13.9 million), reflecting the net loss for the period.

### Cash flow and financing

Cash flow from operations in the first quarter of 2018 amounted to EUR -0.9 million, of which EUR 0.6 million was impacted by payments made as a result of personnel measures carried out in the previous year. Cash flow was down EUR 0.6 million on the same period last year (EUR -0.3 million). This deviation is due to

payments made in connection with the aforementioned personnel measures and slightly increased bonus payments together with higher inflows from the operating business.

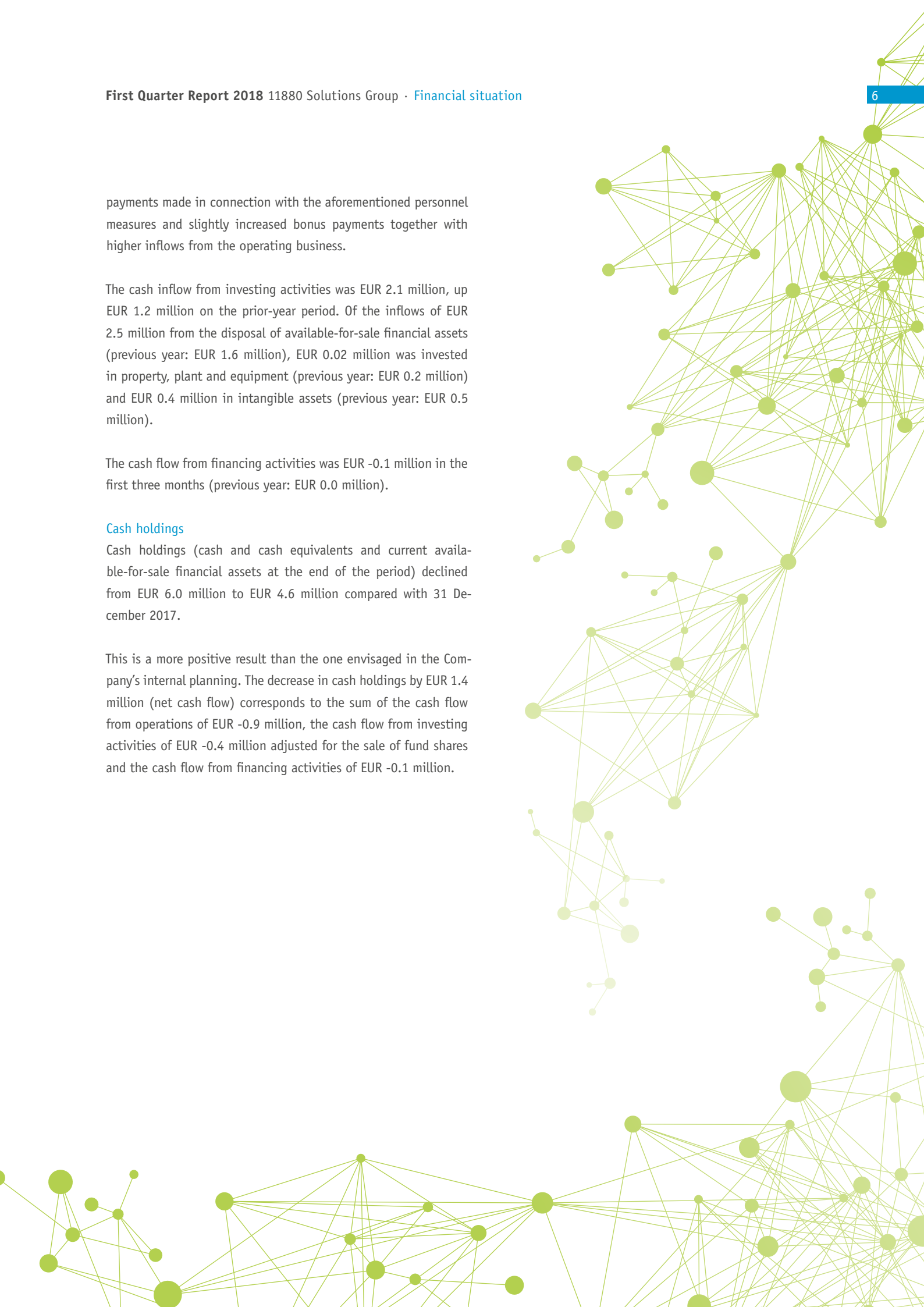
The cash inflow from investing activities was EUR 2.1 million, up EUR 1.2 million on the prior-year period. Of the inflows of EUR 2.5 million from the disposal of available-for-sale financial assets (previous year: EUR 1.6 million), EUR 0.02 million was invested in property, plant and equipment (previous year: EUR 0.2 million) and EUR 0.4 million in intangible assets (previous year: EUR 0.5 million).

The cash flow from financing activities was EUR -0.1 million in the first three months (previous year: EUR 0.0 million).

#### Cash holdings

Cash holdings (cash and cash equivalents and current available-for-sale financial assets at the end of the period) declined from EUR 6.0 million to EUR 4.6 million compared with 31 December 2017.

This is a more positive result than the one envisaged in the Company's internal planning. The decrease in cash holdings by EUR 1.4 million (net cash flow) corresponds to the sum of the cash flow from operations of EUR -0.9 million, the cash flow from investing activities of EUR -0.4 million adjusted for the sale of fund shares and the cash flow from financing activities of EUR -0.1 million.





## Segment report

At EUR 7.5 million, revenues in the Digital business were up year-on-year (previous year: EUR 6.7 million). This result is due to the good sales performance in the prior year and in the first quarter of 2018. The number of new customers in this line of business again rose sharply. The Digital business accounted for around 71 percent of total revenue in the first quarter (previous year: 64 percent). Three-month earnings (EBITDA) as of the reporting date were EUR 0.4 million (previous year: EUR 0.1 million).

The traditional directory assistance business accounted for EUR 3.1 million of total revenues (previous year: EUR 3.7 million). As expected, earnings (EBITDA) fell by EUR 0.3 million in the first three months to EUR -0.4 million (previous year: EUR -0.1 million).

## Updated report on expected developments

Consolidated revenues, EBITDA and cash holdings all are developing in line with expectations, in some cases even better.

## Comparability of disclosures

The 3-month report for 2018 and the consolidated financial statements for the year ended 31 December 2017 are available on the 11880 Solutions AG website at: <https://ir.11880.com/english/reports>.

Essen, 07 May 2018  
The Management Board

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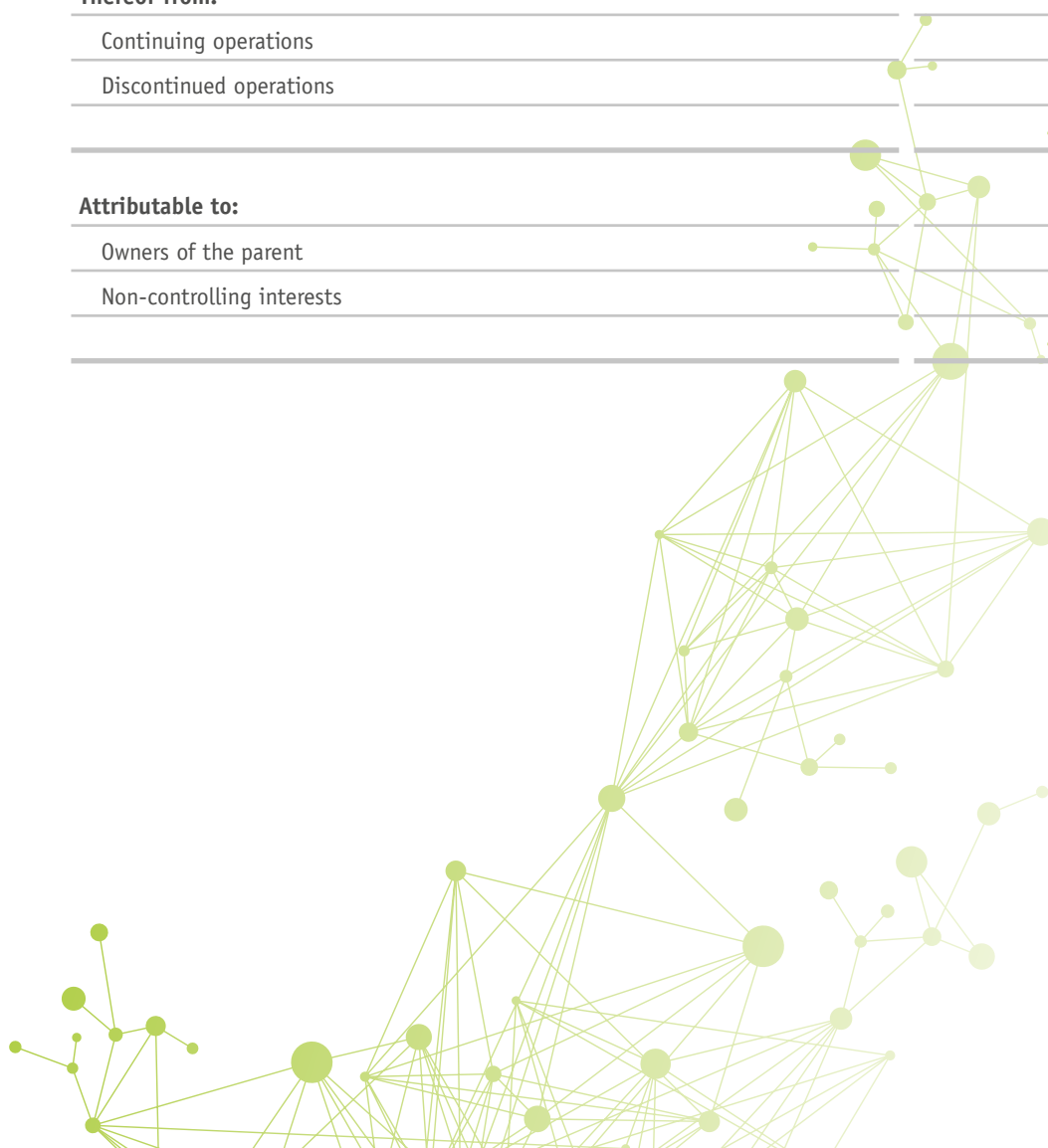


## Consolidated income statement (IFRS)

in EUR thousand	3-Months Report	
	unaudited	
	1.1. – 31.03.2018	1.1. – 31.03.2017
Revenues	10,564	10,418
Cost of revenues	-5,810	-6,451
<b>Gross profit</b>	<b>4,754</b>	<b>3,967</b>
Selling and distribution costs	-4,051	-3,594
General administrative expenses	-2,463	-2,428
Other operating income	0	0
Other operating expense	-1	-5
<b>Operating income (loss)</b>	<b>-1,761</b>	<b>-2,060</b>
Interest income	0	23
Interest expense	-3	-5
Gain (loss) from marketable securities	145	13
Gain (loss) on foreign currency translation	0	0
<b>Financial income (loss)</b>	<b>142</b>	<b>31</b>
<b>Income (loss) before income tax</b>	<b>-1,619</b>	<b>-2,029</b>
Current income tax	0	0
Deferred income tax	0	141
<b>Income tax</b>	<b>0</b>	<b>141</b>
<b>Net income (loss) after tax from continuing operations</b>	<b>-1,619</b>	<b>-1,888</b>
<b>Net income (loss) after tax from discontinued operations</b>	<b>0</b>	<b>0</b>
<b>Net income (loss)</b>	<b>-1,619</b>	<b>-1,888</b>
<b>Attributable to:</b>		
Owners of the parent	-1,619	-1,888
Non-controlling interests	0	0
	<b>-1,619</b>	<b>-1,888</b>
Earnings per share for net income (loss) for the reporting period attributable to ordinary equity holders of the parent (in euro)	-0.08	-0.10
Earnings per share for continuing operations for net income (loss) for the reporting period attributable to ordinary equity holders of the parent (in euro)	-0.08	-0.10
Earnings per share for discontinued operations for net income (loss) for the reporting period attributable to ordinary equity holders of the parent (in euro)	0.00	0.00

## Consolidated statement of comprehensive income (IFRS)

in EUR thousand	3-Months Report	
	unaudited	
	1.1. – 31.03.2018	1.1. – 31.03.2017
<b>Net income (loss)</b>	<b>-1,619</b>	<b>-1,888</b>
<b>Other comprehensive income (loss)</b>		
<b>Items that will not be reclassified to profit or loss</b>		
Available for sale financial assets – Changes of the fair value, net	45	43
Available for sale financial assets – Reclassification to profit or loss, net	-105	-15
Foreign currency translation differences	-1	0
<b>Other comprehensive income (loss) after tax</b>	<b>-61</b>	<b>28</b>
<b>Total comprehensive income (loss)</b>	<b>-1,680</b>	<b>-1,860</b>
<b>Thereof from:</b>		
Continuing operations	-1,680	-1,860
Discontinued operations	0	0
	<b>-1,680</b>	<b>-1,860</b>
<b>Attributable to:</b>		
Owners of the parent	-1,680	-1,860
Non-controlling interests	0	0
	<b>-1,680</b>	<b>-1,860</b>



## Consolidated statement of financial position (IFRS)

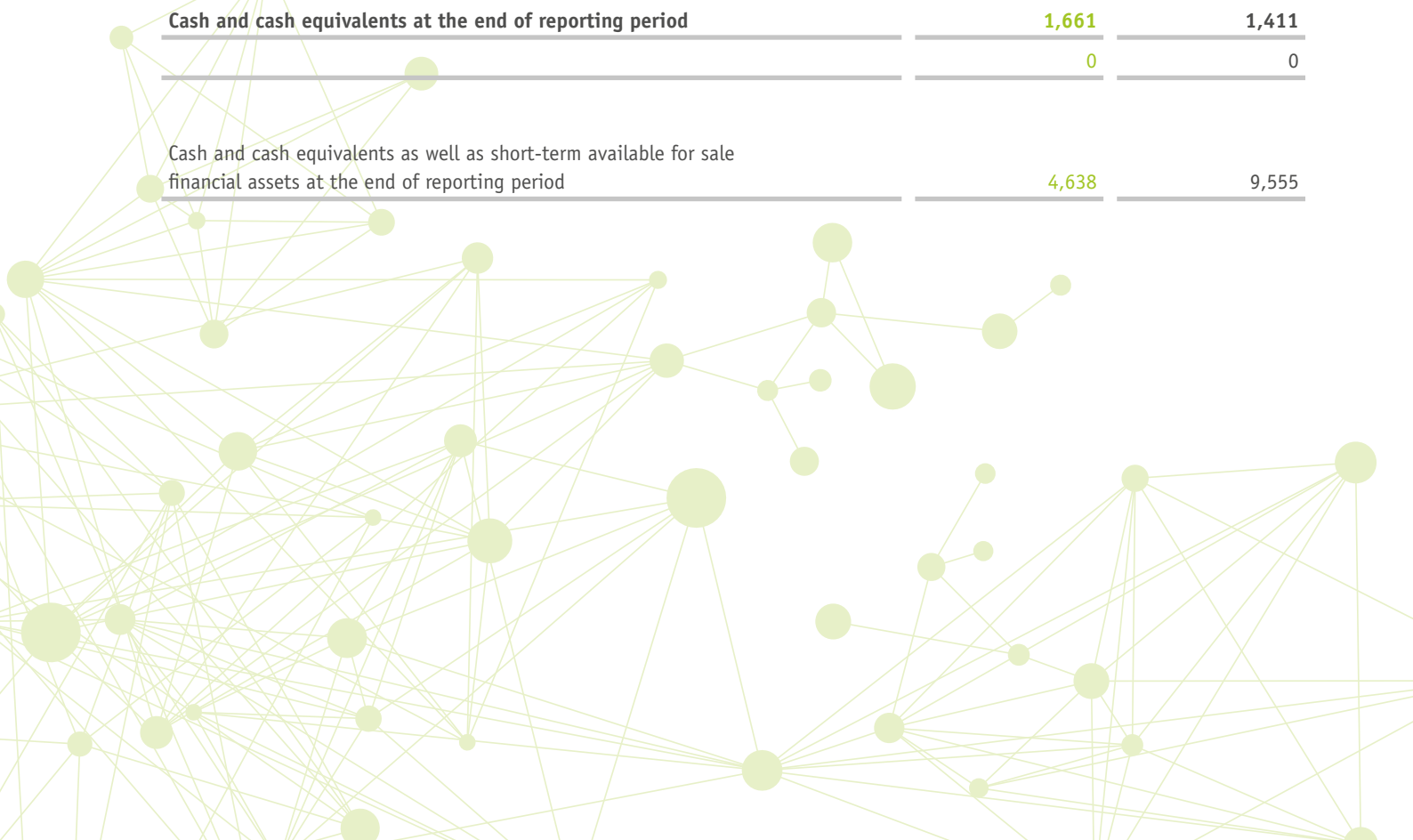
in EUR thousand	31. March 2018	31. March 2017	31. December 2017
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	1,661	1,411	523
Restricted cash	94	0	185
Trade accounts receivable	8,762	9,299	9,684
Current tax assets	104	62	97
Available for sale financial assets	2,883	8,144	5,302
Other financial assets	128	160	149
Other current assets	2,149	2,243	1,966
<b>Total current assets</b>	<b>15,781</b>	<b>21,319</b>	<b>17,906</b>
<b>Non-current assets</b>			
Goodwill	3,489	3,489	3,489
Intangible assets	2,945	5,332	3,555
Property, plant and equipment	930	1,559	1,166
Other financial assets	0	2	0
Other non-current assets	105	0	4
Deferred tax assets	26	4	26
<b>Total non-current assets</b>	<b>7,495</b>	<b>10,386</b>	<b>8,240</b>
<b>Total assets</b>	<b>23,276</b>	<b>31,705</b>	<b>26,146</b>

in EUR thousand	(nicht testiert)	(nicht testiert)	
	31. March 2018	31. March 2017	31. December 2017
<b>LIABILITIES AND EQUITY</b>			
<b>Current liabilities</b>			
Trade accounts payable	583	593	435
Accrued liabilities	3,890	4,673	5,492
Provisions	138	55	242
Other current liabilities	5,593	3,429	5,238
<b>Total current liabilities</b>	<b>10,204</b>	<b>8,750</b>	<b>11,407</b>
<b>Non-current liabilities</b>			
Provisions	152	559	139
Provisions for retirement benefits	176	243	176
Deferred tax liabilities	472	524	472
Total non-current liabilities	800	1,326	787
<b>Total liabilities</b>	<b>11,004</b>	<b>10,076</b>	<b>12,194</b>
<b>Equity</b>			
Share capital	19,111	19,111	19,111
Additional paid in capital	32,059	32,059	32,059
Retained earnings	-38,983	-29,668	-37,364
Other components of equity	85	127	146
Equity attributable to owners of the parent	12,272	21,629	13,952
<b>Total equity</b>	<b>12,272</b>	<b>21,629</b>	<b>13,952</b>
<b>Total liabilities and equity</b>	<b>23,276</b>	<b>31,705</b>	<b>26,146</b>
	-0.00	-0.00	-0.00
Equity-ratio	52.72 %	68.22 %	53.36 %

## Consolidated statement of cash flows (IFRS)

in EUR thousand	unaudited 1.1. – 31.03.2018	unaudited 1.1. – 31.03.2017
<b>Cash Flow from operating activities</b>		
Income (loss) before income tax from continuing operations	-1,619	-2,029
Income (loss) before income tax from discontinued operations	0	0
<b>Income (loss) before income tax</b>	<b>-1,619</b>	<b>-2,029</b>
Adjustments for:		
Impairment of goodwill	0	0
Amortisation and impairment of intangible assets	876	1,141
Depreciation and impairment of property, plant and equipment	250	254
Depreciation of current intangible assets	643	648
Gain (loss) on disposal of property, plant and equipment	1	0
Interest income	0	-23
Interest expense	3	5
Gain (loss) from marketable securities	-145	-13
Gain (loss) on foreign currency translation	0	0
Valuation allowance for trade accounts receivable	-251	-282
Changes in non-current provisions	11	-37
Changes in non-current other and financial assets	-17	0
<b>Operating loss/profit before changes in operating assets and liabilities</b>	<b>-248</b>	<b>-336</b>
Changes in operating assets and liabilities:		
Trade accounts receivable	1,173	1,011
Current intangible assets	-570	-636
Miscellaneous current assets	-54	-110
Trade accounts payable	170	227
Current provisions	-104	-16
Accrued expenses and other current liabilities	-1,246	-550
Income taxes paid	-7	70
<b>Cash used in operating activities</b>	<b>-887</b>	<b>-340</b>

in EUR thousand	1.1. – 31.03.2018	1.1. – 31.03.2017
<b>Cash Flow from investing activities</b>		
Purchase of intangible assets excl. customer contracts	-370	-485
Purchase of customer contracts with contract period > 1 year	-0	-10
Proceeds from sale of property, plant and equipment	-17	-175
Disbursement for the sale of subsidiaries	1	0
Disposal of available for sale financial assets	2,504	1,600
Interest received	0	23
<b>Cash provided by investing activities</b>	<b>2,117</b>	<b>953</b>
<b>Cash Flow from financing activities</b>		
Disbursement for security deposit	-90	0
Interest paid	-2	-3
<b>Cash used in financing activities</b>	<b>-92</b>	<b>-3</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>0</b>	<b>0</b>
<b>Change in cash and cash equivalents</b>	<b>1,138</b>	<b>610</b>
<b>Cash and cash equivalents at the beginning of reporting period</b>	<b>523</b>	<b>801</b>
<b>Cash and cash equivalents for the purpose of cash flow statement at the end of the period</b>	<b>1,661</b>	<b>1,411</b>
<b>Cash and cash equivalents at the end of reporting period</b>	<b>1,661</b>	<b>1,411</b>
	0	0
Cash and cash equivalents as well as short-term available for sale financial assets at the end of reporting period	4,638	9,555

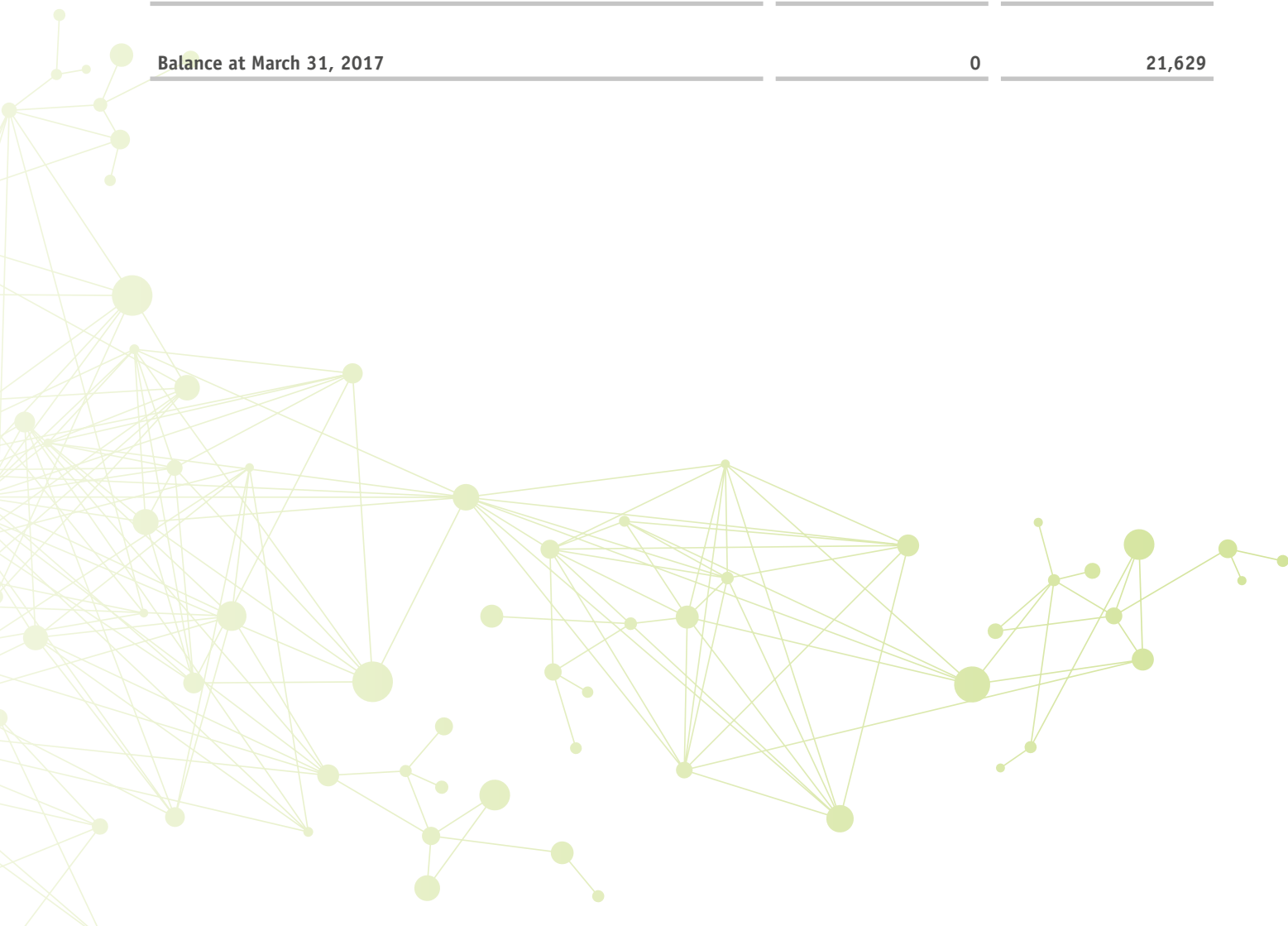




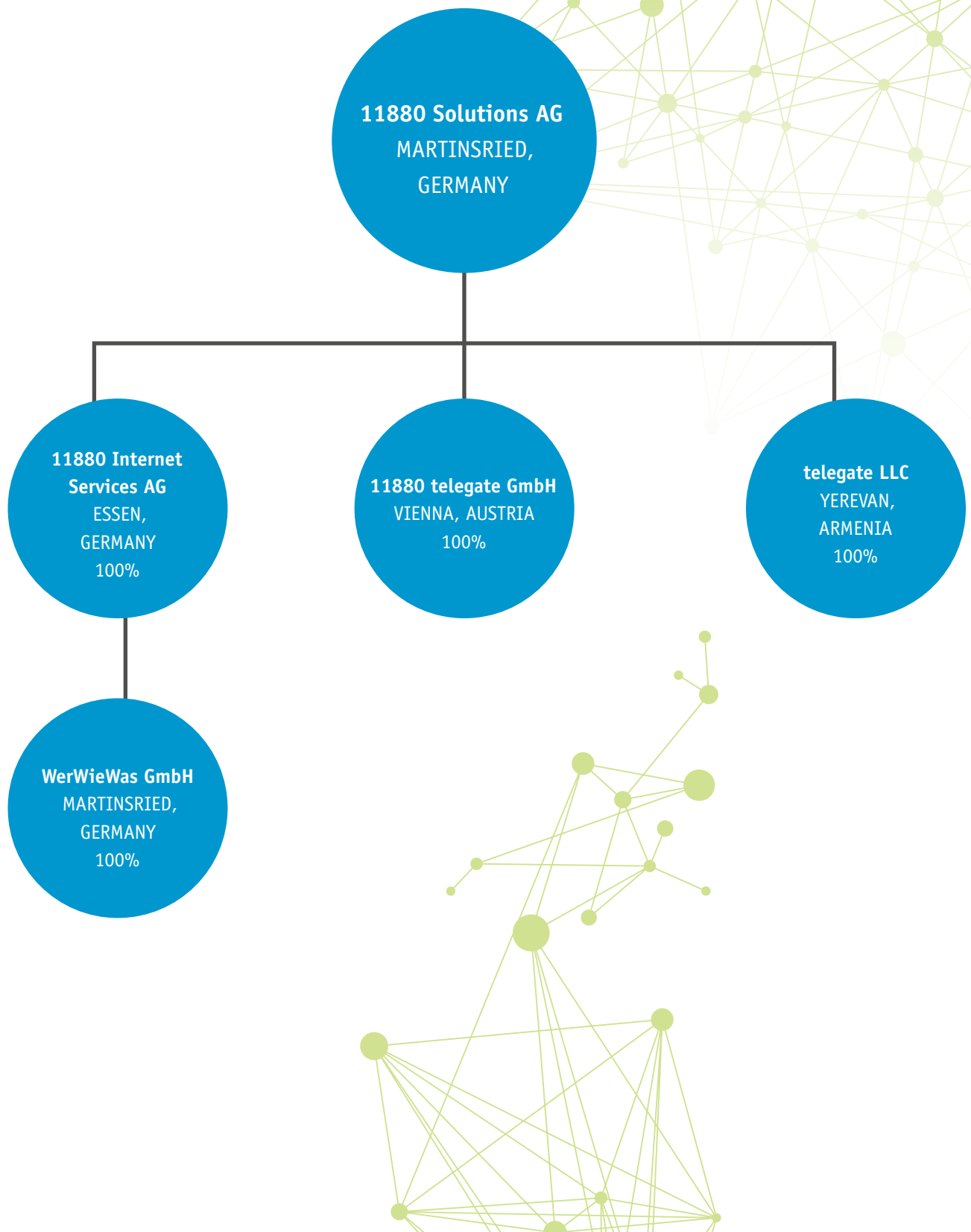
## Consolidated statement of changes in equity (IFRS)

in EUR thousand	Equity attributable to owners of the parent					Total
	Share capital	Additional paid in capital	Retained earnings	Accumulated loss	Other components of equity	
<b>Balance at January 1, 2018</b>	<b>19,111</b>	<b>32,059</b>	<b>0</b>	<b>-37,364</b>	<b>146</b>	<b>13,952</b>
Net income (loss)	-	-	-	-1,619	-	-1,619
Available for sale financial assets	-	-	-	-	-60	-60
Foreign currency translation	-	-	-	-	-1	-1
<b>Other comprehensive income (loss)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-61</b>	<b>-61</b>
<b>Total comprehensive income (loss)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-1,619</b>	<b>-61</b>	<b>-1,680</b>
<b>Balance at March 31, 2018</b>	<b>19,111</b>	<b>32,059</b>	<b>0</b>	<b>-38,983</b>	<b>85</b>	<b>12,272</b>
<b>Balance at January 1, 2017</b>	<b>19,111</b>	<b>32,059</b>	<b>0</b>	<b>-27,780</b>	<b>99</b>	<b>23,489</b>
Net income (loss)	-	-	-	-1,888	-	-1,888
Available for sale financial assets	-	-	-	-	28	28
Foreign currency translation	-	-	-	-	0	0
<b>Other comprehensive income (loss)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>28</b>	<b>28</b>
<b>Total comprehensive income (loss)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-1,888</b>	<b>28</b>	<b>-1,860</b>
<b>Balance at March 31, 2017</b>	<b>19,111</b>	<b>32,059</b>	<b>0</b>	<b>-29,668</b>	<b>127</b>	<b>21,629</b>

in EUR thousand	Non-controlling interests	Total equity
<b>Balance at January 1, 2018</b>	<b>0</b>	<b>13,952</b>
Net income (loss)	-	-1,619
Available for sale financial assets	-	-60
Foreign currency translation	-	-1
<b>Other comprehensive income (loss)</b>	<b>-</b>	<b>-61</b>
<b>Total comprehensive income (loss)</b>	<b>0</b>	<b>-1,680</b>
<b>Balance at March 31, 2018</b>	<b>0</b>	<b>12,272</b>
<b>Balance at January 1, 2017</b>	<b>0</b>	<b>23,489</b>
Net income (loss)	-	-1,888
Available for sale financial assets	-	28
Foreign currency translation	-	0
<b>Other comprehensive income (loss)</b>	<b>-</b>	<b>28</b>
<b>Total comprehensive income (loss)</b>	<b>0</b>	<b>-1,860</b>
<b>Balance at March 31, 2017</b>	<b>0</b>	<b>21,629</b>



# Corporate Structure 11880 Solutions Group





# Imprint

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## Imprint

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## Artwork

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An abstract graphic featuring a complex network of interconnected nodes and lines. The nodes are represented by circles of varying sizes, and the lines are thin, light-colored connections between them. The overall structure is dense and organic, resembling a molecular or neural network. The background is a solid dark gray.

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