

## Consolidated statement of comprehensive income

For the year ended 31 December

(x € 1,000)	2017	2016
<b>Continuing operations</b>		
Revenue	104,989	89,729
Cost of Materials and subcontractors	11,594	10,354
Employee benefit expenses	62,516	52,014
Depreciation and amortisation	3,559	2,924
Other operating expenses	18,881	17,065
Total operating expenses	96,550	82,357
<b>Operating profit</b>	<b>8,439</b>	<b>7,372</b>
Financial expenses	(546)	(538)
Financial income	62	6
Result from joint ventures	113	221
Result from associates	(541)	(1,044)
<b>Result before taxes from continuing operations</b>	<b>7,527</b>	<b>6,017</b>
Income tax expense	(1,915)	(1,705)
<b>Net profit from continuing operations</b>	<b>5,612</b>	<b>4,312</b>
<b>Discontinued operations</b>		
<b>Net profit after taxes from discontinued operations</b>	<b>-</b>	<b>810</b>
<b>Net profit</b>	<b>5,612</b>	<b>5,122</b>
Other comprehensive income (loss), net of tax	20	(22)
<b>Total comprehensive income</b>	<b>5,632</b>	<b>5,100</b>
<b>Net profit attributable to:</b>		
- Shareholders of ICT Group N.V.	5,226	5,006
- Non-controlling interests	386	116
<b>Total comprehensive income attributable to:</b>		
- Shareholders of ICT Group N.V.	5,246	4,984
- Non-controlling interests	386	116
<b>Earnings per share:</b>		
<i>From continuing and discontinued operations</i>		
Basic earnings per share (in €)	0.56	0.56
Diluted earnings per share (in €)	0.56	0.56
<i>From continuing operations</i>		
Basic earnings per share (in €)	0.56	0.47
Diluted earnings per share (in €)	0.56	0.47

There are no non-recyclable other comprehensive income items. The other comprehensive income items are fully related to equity accounted associates.

## Consolidated balance sheet

(before proposed profit appropriation)

	<b>As at 31 December</b>	
(x € 1,000)	<b>2017</b>	<b>2016</b>
<b>Assets</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant & equipment	2,913	2,477
Goodwill	22,308	21,851
Other intangible assets	13,154	14,218
Investment in joint ventures	1,044	1,161
Investment in associates	419	1,655
Deferred tax assets	176	2,056
Other financial assets	863	436
	<u>40,877</u>	<u>43,854</u>
<b>CURRENT ASSETS</b>		
Trade and other receivables	33,508	28,595
Corporate income tax receivable	690	1,134
Cash and cash equivalents	6,500	5,567
	<u>40,698</u>	<u>35,296</u>
<b>TOTAL ASSETS</b>	<u><u>81,575</u></u>	<u><u>79,150</u></u>
<b>Equity and liabilities</b>		
<b>SHAREHOLDERS' EQUITY</b>		
Issued share capital	941	929
Share premium	14,209	13,768
Currency translation reserve	95	75
Legal reserve	2,269	1,744
Treasury shares	-	-
Retained earnings	24,159	21,753
Net profit	5,226	5,006
Attributable to shareholders of ICT Group N.V.	46,899	43,275
Non-controlling interest	762	434
	<u>47,661</u>	<u>43,709</u>
<b>NON-CURRENT LIABILITIES</b>		
Deferred tax liabilities	2,915	3,414
Share-based compensation and long-term employee benefits liabilities	296	414
Loans (long-term)	4,230	6,762
Deferred acquisition consideration (long-term)	3,261	3,132
	<u>10,702</u>	<u>13,722</u>
<b>CURRENT LIABILITIES</b>		
Trade payables	3,296	3,008
Corporate income tax payable	410	62
Other taxes and social security premiums	7,731	6,618
Loans (short-term)	2,586	2,654
Bank overdrafts	250	17
Other current liabilities	8,939	9,360
	<u>23,212</u>	<u>21,719</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>81,575</u></u>	<u><u>79,150</u></u>

## Consolidated statement of changes in equity

For the year ended 31 December

	Attributable to owners of the parent								Non-controlling interest	Total equity
	Issued share capital	Share premium	Currency translation reserve	Legal reserve	Treasury shares	Retained earnings	Profit for the year	Total		
<i>(x € 1,000)</i>										
<b>1 January 2016</b>	<b>875</b>	<b>8,411</b>	<b>97</b>	<b>1,392</b>	-	<b>21,171</b>	<b>3,551</b>	<b>35,497</b>	-	<b>35,497</b>
Net profit	-	-	-	-	-	-	5,006	5,006	116	5,122
Other comprehensive income	-	-	(22)	-	-	-	-	(22)	-	(22)
Total comprehensive income	-	-	(22)	-	-	-	5,006	4,984	116	5,100
Dividends paid	-	-	-	-	-	(2,123)	-	(2,123)	(143)	(2,266)
Acquisition of subsidiaries	-	-	-	-	-	(461)	-	(461)	461	-
Purchase of treasury shares	-	-	-	-	(310)	-	-	(310)	-	(310)
Sale of treasury shares	-	-	-	-	277	-	-	277	-	277
Issuance of new shares	54	5,357	-	-	-	-	-	5,411	-	5,411
Transfers	-	-	-	352	33	(385)	-	-	-	-
Prior year result allocation	-	-	-	-	-	3,551	(3,551)	-	-	-
<b>31 December 2016</b>	<b>929</b>	<b>13,768</b>	<b>75</b>	<b>1,744</b>	-	<b>21,753</b>	<b>5,006</b>	<b>43,275</b>	<b>434</b>	<b>43,709</b>
<b>1 January 2017</b>	<b>929</b>	<b>13,768</b>	<b>75</b>	<b>1,744</b>	-	<b>21,753</b>	<b>5,006</b>	<b>43,275</b>	<b>434</b>	<b>43,709</b>
Net profit	-	-	-	-	-	-	5,226	5,226	386	5,612
Other comprehensive income	-	-	20	-	-	-	-	20	-	20
Total comprehensive income	-	-	20	-	-	-	5,226	5,246	386	5,632
Dividends paid	-	-	-	-	-	(2,052)	-	(2,052)	(58)	(2,110)
Dividend stock charged	-	(1,012)	-	-	-	-	-	(1,012)	-	(1,012)
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-
Purchase of treasury shares	-	-	-	-	(331)	-	-	(331)	-	(331)
Sale of treasury shares	-	-	-	-	308	-	-	308	-	308
Issuance of new shares	12	1,453	-	-	-	-	-	1,465	-	1,465
Transfers	-	-	-	525	23	(548)	-	-	-	-
Prior year result allocation	-	-	-	-	-	5,006	(5,006)	-	-	-
<b>31 December 2017</b>	<b>941</b>	<b>14,209</b>	<b>95</b>	<b>2,269</b>	-	<b>24,159</b>	<b>5,226</b>	<b>46,899</b>	<b>762</b>	<b>47,661</b>

## Consolidated statement of cash flows

For the year ended 31 December

According to the direct method (x € 1,000)	2017	2016
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Receipts from customers	117,403	106,197
Payments to suppliers and employees	(109,140)	(98,680)
	8,263	7,517
Interest paid	(362)	(328)
Income tax received (paid)	13	(2,131)
	(349)	(2,459)
<b>Net cash flow from operating activities</b>	<b>7,914</b>	<b>5,058</b>
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Additions to property, plant and equipment	(1,293)	(1,138)
Additions to software and product development	(882)	(405)
Acquisition of subsidiaries (net of cash acquired)	(1,215)	(6,291)
Sale of an associate	715	-
Additions to other financial assets	(489)	(881)
Dividend received from joint venture	230	294
<b>Net cash flow from investment activities</b>	<b>(2,934)</b>	<b>(8,421)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of shares (incl. share premium)	453	-
Purchase of treasury shares	(331)	(310)
Re-issuance of treasury shares	308	277
Proceeds (repayments) of borrowings (external loans)	(2,600)	6,107
Payment of earn-out liabilities	-	(1,589)
Dividend paid to non-controlling interest	(58)	(143)
Dividend paid to shareholders of ICT Group N.V.	(2,052)	(2,123)
<b>Net cash flow from financing activities</b>	<b>(4,280)</b>	<b>2,219</b>
<b>Net cash flow</b>	<b>700</b>	<b>(1,144)</b>
Cash at bank and in hand (net) as at 31 December	6,250	5,550
Cash at bank and in hand (net) at 1 January	5,550	6,694
Increase (decrease) cash and cash equivalents	<b>700</b>	<b>(1,144)</b>

## Other financial information

(x € 1,000,000)	2017	2016
<b>Revenue</b>	<b>105.0</b>	<b>89.7</b>
Added value (Revenue minus cost of materials and subcontractors)	93.4	79.4
EBITDA	12.0	10.3
Amortisation / depreciation / impairment	3.6	2.9
Operating profit	8.4	7.4
Result before taxes from continuing operations	7.5	6.0
Income tax expense	(1.9)	(1.7)
Net profit from continuing operations	5.6	4.3
Discontinued operations	-	0.8
Non-controlling interests	(0.4)	(0.1)
Net profit <sup>1) 2)</sup>	5.2	5.0
Net cash flow from operating activities	7.9	5.1
<b>Personnel</b>		
Headcount as at 31 December	1,032	969
FTE as at 31 December	990	919
Average number of FTEs for year	966	836
<b>Consolidated balance sheet information</b>		
Shareholders' equity	47.7	43.7
Total equity and liabilities	81.6	79.2
<b>Ratios</b>		
EBITDA / revenue	11.4%	11.5%
Net profit <sup>1) 2)</sup> / revenue	5.0%	5.6%
Net profit <sup>1) 2)</sup> / average shareholders' equity	11.4%	12.6%
Solvency (Shareholders' equity / total assets)	58.4%	55.2%
<b>Information per share of a nominal value of 0.10 (in €)</b>		
Net profit <sup>1) 2) 3)</sup>	0.56	0.56
Shareholders' equity <sup>4)</sup>	5.06	4.71
Dividend <sup>4) 5)</sup>	0.35	0.33

1) In 2016 the net profit included a one off deferred tax benefit of € 0.8 million, related to the final liquidation of ICT Software Engineering GmbH.

2) Represents the net profit attributable to the shareholders of ICT Group N.V.

3) Based on the average number of issued shares.

4) Based on number of issued shares at year end.

5) Shareholders will again be offered the option: cash or shares.

## Segment information

2017

(X € 1,000)	ICT Netherlands	Strypes Bulgaria	Other	Eliminations	Consolidated
<b>Revenue:</b>					
Revenue from professional services	74,622	8,509	8,697	-	91,828
Revenue from solutions / products	5,962	-	7,199	-	13,161
<b>Total from clients</b>	<b>80,584</b>	<b>8,509</b>	<b>15,896</b>	<b>-</b>	<b>104,989</b>
Inter-segment	694	1,132	487	(2,313)	-
<b>Total revenue</b>	<b>81,278</b>	<b>9,641</b>	<b>16,383</b>	<b>(2,313)</b>	<b>104,989</b>
Operating expenses directly attributable to the operating segments	58,648	5,643	10,177	(2,313)	72,155
<b>Segment Gross profit</b>	<b>22,630</b>	<b>3,998</b>	<b>6,206</b>	<b>-</b>	<b>32,834</b>
Allocated operating expenses	14,367	2,120	4,349	-	20,836
<b>Operating profit before amortisation and depreciation</b>	<b>8,263</b>	<b>1,878</b>	<b>1,857</b>	<b>-</b>	<b>11,998</b>
Allocated amortization and depreciation	1,386	709	1,464	-	3,559
Impairment charges	-	-	-	-	-
<b>Operating profit</b>	<b>6,877</b>	<b>1,169</b>	<b>393</b>	<b>-</b>	<b>8,439</b>
Financial expenses					(546)
Financial income					62
Result from joint ventures					113
Result from associates					(541)
<b>Profit before taxation</b>					<b>7,527</b>
Taxes					(1,915)
<b>Net profit</b>					<b>5,612</b>
<b>Segment Assets</b>	<b>37,866</b>	<b>6,907</b>	<b>36,802</b>		<b>81,575</b>
<b>Segment Liabilities</b>	<b>17,194</b>	<b>940</b>	<b>15,780</b>		<b>33,914</b>
<b>Other notes</b>					
Operating profit before amortisation and depreciation/ total revenue	10.2%	19.5%	11.3%	-	<b>11.4%</b>
Average number of employees (FTE)	734	142	90	-	966

## 2016

(X € 1,000)	ICT Netherlands	Strypes Bulgaria	Other	Eliminations	Consolidated
<b>Continuing operations</b>					
<b>Revenue:</b>					
Revenue from professional services	64,608	7,037	8,617	-	80,262
Revenue from solutions / products	3,913	-	5,554	-	9,467
<b>From clients</b>	<b>68,521</b>	<b>7,037</b>	<b>14,171</b>	<b>-</b>	<b>89,729</b>
Inter-segment	465	566	155	(1,186)	-
<b>Total revenue</b>	<b>68,986</b>	<b>7,603</b>	<b>14,326</b>	<b>(1,186)</b>	<b>89,729</b>
Operating expenses directly attributable to the operating segments	49,489	4,354	9,180	(1,186)	61,837
<b>Segment Gross profit</b>	<b>19,497</b>	<b>3,249</b>	<b>5,146</b>	<b>-</b>	<b>27,892</b>
Allocated operating expenses	12,857	1,575	3,164	-	17,596
<b>Operating profit before amortisation and depreciation</b>	<b>6,640</b>	<b>1,674</b>	<b>1,982</b>	<b>-</b>	<b>10,296</b>
Allocated amortisation and depreciation	984	710	1,230	-	2,924
Impairment charges	-	-	-	-	-
<b>Operating profit</b>	<b>5,656</b>	<b>964</b>	<b>752</b>	<b>-</b>	<b>7,372</b>
Financial expenses					(538)
Financial income					6
Result from joint ventures					221
Result from associates					(1,044)
<b>Profit before taxation</b>					<b>6,017</b>
Taxes					(1,705)
<b>Net profit from continuing operations</b>					<b>4,312</b>
<b>Discontinued operations</b>					
Result after Taxes from discontinued operations					810
<b>Net profit</b>					<b>5,122</b>
<b>Segment Assets</b>	32,548	5,914	40,688	-	79,150
<b>Segment Liabilities</b>	17,866	792	16,783	-	35,441
<b>Other notes</b>					
Operating profit before amortisation and depreciation/ total revenue	9.6%	22.0%	13.8%	-	<b>11.5%</b>
Average number of employees (FTE)	635	115	86	-	836