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FULL YEAR RESULTS 2017 ICT GROUP NV

ICT REPORTS 17% INCREASE IN REVENUE AND EBITDA

Integration of acquisitions and continued investments result in a more powerful organisation

Highlights FY 2017
- Revenue up 17% to € 105.0 million, 7% organic growth
- EBITDA increased 17% to € 12.0 million
- Acquisitions of HTS and NedMobiel further strengthen position in Smarter Industries respectively Smarter Cities
- The net result came in at € 5.2 million, compared to € 5.0 million in 2016 that included a one-off gain of € 0.8 million
- Proposed dividend of € 0.35 per share for the year 2017

Highlights Q4 2017
- Revenue up 7% to € 28.5 million, EBITDA realised at € 4.2 million (Q4 2016: € 4.0 million)
- Organically, revenue growth was in line with the full year growth

Outlook
- ICT expects a further growth in revenue and EBITDA for 2018 compared to 2017

Key figures

(in millions of €)	FY 2017	FY 2016	Change	Q4 2017	Q4 2016	Change
Revenue	105.0	89.7	17%	28.5	26.6	7%
Revenue Added Value	93.4	79.4	18%	25.4	23.3	9%
EBITDA	12.0	10.3	17%	4.2	4.0	5%
Amortisation / depreciation	3.6	2.9	22%			
Operating result	8.4	7.4	14%			
Net profit(*)	5.2	5.0	4%			
(in €)						
Earnings per share (**)	0.56	0.56				
Proposed dividend per share (***)	0.35	0.33				

(*) Net profit in 2016 included a one off deferred tax benefit of € 0.8 million, related to the final liquidation of the ICT Software Engineering GmbH.
(**) Based on the average number of outstanding ordinary shares.
(***) Based on number of issued shares at year end

Jos Blejie, CEO of ICT Group N.V.: *"We successfully took ICT Group to the next level in 2017. Both in terms of scale, as we surpassed the milestones of 1,000 employees and € 100 million in revenue, but even more so in terms of our readiness for the future. By decisively embarking on our strategic road map for growth, we once again delivered on our promises. We recorded sustainable levels of growth, while making the world a little smarter every day. The full integration of Nozhup and HTS resulted in a major step forward in our position in the industry and vital infrastructure sectors. The integration, combined with continued investments in the organisation, led to a more powerful organisation. The rapid pace of technological developments requires a certain critical mass to operate at the forefront of these developments. This is why growth is once again our key objective for 2018. Organic growth remains our main growth driver and we will also continue our buy and build strategy."*

Strategy update

Progress in 2017
In 2017, ICT passed the milestone of 1,000 employees as a result of acquisitions, hires and a modest attrition rate. In an employment market characterised by an ever-growing shortage of IT talents, ICT's efforts to have an appealing profile as an employer bear fruit as the company scored well in terms of attracting and retaining talented people in 2017.

In 2017, ICT prioritised the integration of the acquisitions made over the previous year, to safeguard a proper basis for the consolidation of future potential, without losing focus on driving organic growth. ICT fully integrated Nozhup, which was acquired in September 2016. With the acquisition of Nozhup, ICT gained significant scale in its activities in the industrial automation market, and also widened its customer base in this market. The integration of Nozhup enabled ICT to move further up in the value chain.

Further acquisitions
In June 2017, ICT acquired High Tech Solutions B.V., an industrial automation project and services provider, employing 25 highly educated professionals. HTS delivers consultancy services in various markets within the domain of Smarter Industries. In November 2017, ICT signed a letter of intent to acquire 100% of the shares of NedMobiel B.V., a Dutch expert consultancy company for complex infrastructures, such as tunnels, bridges, water locks, motorways and mobility solutions. The fields of expertise of NedMobiel include (tunnel) safety, asset management and project management.

Digital transformation
A key strategic theme, interwoven with all other key trends throughout ICT's activities, is digital transformation. In 2017, ICT has therefore set up a dedicated Digital Transformation Unit, a team that works across all sectors and industries. The combination of profound Digital Transformation expertise and the deep knowledge of those industries provides ICT with a unique proposition.

Focus in 2018
In 2018, ICT will continue to focus on the further execution of this strategy, aimed at organic growth combined with add-on acquisitions.

ICT aims to grow organically by 5% per annum. ICT's performance in the last four years demonstrates its ability to deliver on this target. As the company has clearly achieved a substantial position in Smarter Industries, fuelled in part by the acquisition of Nozhup, the focus of the acquisition strategy in 2018 will be increasing its size in Smarter Cities and Smarter Health. ICT will continue to be disciplined in its acquisition strategy.

Further expansion of the digital transformation activities will also be a key priority for 2018, aimed at building more innovative solutions in-house. ICT remains focused on creating all the right conditions to take further steps in the transformation into a total solutions provider.

Notes to the results

Revenue
In 2017, ICT Group's revenue came in at € 105.0 million, 17% higher than the € 89.7 million reported in 2016. Organically, revenue increased by 7%. Acquisitions accounted for 10% of ICT Group's revenue growth. Organic growth was driven mainly by the increase in the number of FTEs, higher average rates and improvements in a number of markets. Added value increased by 18% to € 93.4 million in 2017.

Revenue at ICT Netherlands increased by 18% to € 81.3 million in 2017 from € 69.0 million in the previous year. Nozhup, which ICT acquired in September 2016, and fully integrated within ICT Netherlands in the first half of 2017, was the main contributor to this increase. Productivity levels were in line with last year. The average tariff increase was in line with the average salary increase.

Strypes Bulgaria ("ICT Nearshoring") reported a 27% increase in revenue to € 9.6 million in 2017, from € 7.6 million in 2016. This increase was recorded at both existing and new clients.

The segment ‘Other’ recorded revenues of € 16.4 million in 2017 (2016: € 14.3 million). The slow start of Improve was balanced by its recovery in the second half and the good start to the year for Raster was offset by a more moderate second half. In 2017, BMA benefited from the delayed launch of a new generation of foetal heart monitors, which resulted in a substantial increase in revenue.

Costs/personnel expenses

Personnel costs increased to € 62.5 million (2016: € 52.0 million), as a result of the marked increase in the number of employees and an increase in salaries. Other operating expenses increased by 11%, as a result of recent acquisitions and higher costs for recruitment, office accommodation and a further professionalization of the organisation. The costs related to strategic initiatives and the realisation of acquisitions and partnerships amounted to € 0.2 million (2016: € 0.5 million).

EBITDA

EBITDA for the full year 2017 increased by 17% to € 12.0 million, compared to € 10.3 million in 2016. The increase was mainly due to the higher EBITDA at ICT Netherlands (up 25% to € 8.3 million in 2017, from € 6.6 million in 2016). This was the result of both the organic growth realised and the full year consolidation of Nozhup, plus the consolidation of HTS from June 2017. Strypes Bulgaria recorded higher EBITDA of € 1.9 million (up 12%). In 2017, ICT continued its investments in the organisational effectiveness of Strypes Bulgaria, to safeguard continued and sustainable strong growth of its nearshoring activities. The segment Other recorded EBITDA of € 1.8 million (2016: € 2.0 million). In 2017, Raster experienced margin pressure as a result of the adverse impact of two projects in the second half of 2017, which resulted in substantially lower results. As a result of a good performance in the second half of the year, BMA recorded substantially better results compared to the previous year.

The overall EBITDA margin declined slightly to 11.4% in 2017 from 11.5% in 2016.

Amortisation and depreciation

ICT has valued and is amortising a number of intangible assets, including order backlog, software and the customer relations of its recent acquisitions. Amortisation in 2017 amounted to € 2.7 million (2016: € 2.3 million). Depreciation amounted to € 0.9 million in 2017 (2016: € 0.6 million).

Operating profit increased 14% to € 8.4 million in 2017 (2016: € 7.4 million). The operating margin came in at 8.0%, compared with 8.2% in 2016.

The results from joint ventures and associates

The total result from joint ventures and associates amounted to a loss of € 0.4 million (2016: € 0.8 million loss). InTraffic contributed € 0.1 million to the results (2016: € 0.2 million).

In November 2017, the minority stake (25%) in Strypes Nederland B.V. (held by Strypes Bulgaria) was divested to the existing shareholders. This divestment resulted in a book profit of € 0.2 million.

In 2017, LogicNets’ revenue was stable when compared with the previous year. LogicNets did manage to win new reputable customers but the company is still loss-making. ICT still believes in the strategic importance of the platform, but it will take some time before the company realises substantial growth and moves into profit. ICT therefore decided to fully impair its stake in LogicNets in the fourth quarter of 2017. The downward valuation of LogicNets, including our share in its loss for the year, amounted to € 0.5 million.

Interest expenses came in at the same level as last year at € 0.5 million (2016: € 0.5 million).

Taxes

In 2017, corporate income taxes related to the continuing business operations amounted to € 1.9 million, compared with € 1.7 million taxes in 2016. In 2017 there have been no one-off tax items, whereas in 2016, following the official liquidation of the German activities, taxes from discontinued operations for 2016 amounted to a one-off tax credit of € 0.8 million.

Net profit for the full year 2017 came in at € 5.2 million, a slight increase compared to last year (€ 5.0 million). Excluding the one-off tax gain of € 0.8 million recorded in 2016, net profit was up by 24%. Earnings per share amounted to € 0.56 in 2017 (2016: € 0.56). The number of outstanding ordinary shares had increased to 9,411,301 at year-end 2017 (31 December 2016: 9,288,309), due to shares issued for stock dividend and the employee share participation plan.

Cash flow movement

The cash flow from operating activities amounted to € 7.9 million positive in 2017 (2016: € 5.1 million positive). This increase was the result of the growth of the company and the fact that there were no cash tax payments in 2017, as a result of the tax benefits related to the liquidation of the German activities in December 2016. Working capital increased in line with the increased activity levels, as well as the increased average scope of projects. ICT maintains disciplined working capital management.

Cash outflow on investment activities amounted to € 2.9 million in 2017, compared with € 8.4 million in 2016. The purchase price cash consideration for the acquisition of HTS (€ 1.2 million) and investments in office accommodation (€ 1.3 million) had the largest impact. The divestment of Strypes Netherlands had a positive impact of € 0.7 million.

Cash flow from financing activities amounted to € 4.3 million negative (2016: € 2.2 million positive), as a result of the net effect of dividend paid (€ 2.1 million), the repayments of existing acquisition financing (€ 2.6 million) and the proceeds from the issuance of shares (€ 0.5 million cash inflow).
The net cash flow amounted to € 0.7 million (2016: € 1.1 million negative).

Balance sheet structure

As a result of the net effect of the payment of a dividend of € 2.1 million, and net profit of € 5.2 million, shareholders' equity increased to € 47.7 million in 2017 (2016: € 43.7 million). The balance sheet total increased to € 81.6 million at year-end 2017, from € 79.2 million at year-end 2016. Solvency (shareholders' equity/total assets) stood at 58% at year-end 2017, compared with 55% at year-end 2016, which represents a sound financial basis.

Dividend proposal

ICT proposes a dividend of € 0.35 per share for the 2017 financial year (2016: € 0.33). The dividend payment is subject to the approval of the Annual General Meeting of Shareholders (AGM) to be held on 9 May 2018. For the calculation of the proposed dividend, the realised net profit is adjusted for the non-cash amortisation amounts and the downward valuation of LogicNets. This results in an adjusted net profit for the full year 2017 of € 8.3 million. The proposed dividend of € 0.35 per share represents a pay-out ratio of 40% of the adjusted net profit. ICT offers an option for payment in cash or in shares.

ICT will determine the dividend payment in shares one day after the end of the optional period on the basis of the average price of ICT shares during the last five trading days of the optional period, which shall end on 28 May 2018. The dividend will be payable, in cash or in shares, on 30 June 2018.

Subsequent events

NedMobiel

On 24 January 2018, ICT completed the purchase of 100% of the shares of NedMobiel B.V. The purchase price amounts to € 2.3 million in cash and a contingent consideration will be payable based on the EBITDA that NedMobiel will achieve in 2018, capped at € 0.5 million.

InTraffic

On 5 February 2018, ICT Group signed a letter of intent with Movares and InTraffic to acquire the remaining 50% of the shares in InTraffic from joint venture partner Movares. Following the acquisition ICT Group will hold 100% of the shares of InTraffic. Acquiring InTraffic in full will allow ICT to strengthen its position in its strategic theme 'Smarter Cities'.

InTraffic, located in Nieuwegein, designs and builds applications for Public Transport, Infrastructure Monitoring and Travel Information. The company was founded in 2003 as a joint venture between ICT Group and engineering company Movares. InTraffic generates annual turnover of approximately € 19 million. Closing of the transaction is expected end of March 2018. InTraffic will be fully consolidated as from the closing of the transaction, while currently ICT's 50% stake is reported as 'result from joint ventures'. The purchase consideration for 50% of the shares will be paid in cash.

Outlook

Industry growth will be driven by multiple trends in 2018 and beyond, including the advent of Digital Transformation. ICT sees the continued expansion of its digital transformation activities as a key priority for 2018. ICT will focus increasingly on building innovative solutions in-house. Again in 2018, we will work hard to create all the right conditions to take additional steps in our transformation into a total solutions provider.

In 2018, ICT will continue to focus on the growth of the company, both organically and through acquisitions. As the company has clearly achieved a substantial position in Smarter Industries, the focus of our acquisition strategy in 2018 will be on increasing the company's size in Smarter Cities and Smarter Health. ICT will continue to be disciplined and cautious in its acquisition strategy.

ICT expects its capital expenditures and research & development expenditures to increase in 2018, in line with the increased scale of the company. The battle for talent will continue and attracting and retaining the right people continues to be one of our key priorities.

Based on the above, ICT expects a further growth in revenue and EBITDA in 2018 compared to 2017.

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ICT Group N.V. is a leading industrial technology solutions and services provider. Our specific industry knowledge of various markets, enables us to realise innovative solutions. Over 1000 passionate technical specialists are working for the ICT Group. The following subsidiaries are the main operating entities of the ICT Group: ICT Netherlands (ICT Automatisering Nederland B.V.), ICT Belgium, Strypes Bulgaria (Strypes EOOD), Raster (Raster Industriele Automatisering B.V. and Raster Products B.V.), Improve (Improve Quality Services B.V.), NedMobiel B.V., BMA (Buro Medische Automatisering B.V.) (51%) and ICT Mobile B.V. (51%).
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Cautionary statement

This press release contains forward-looking statements. Forward-looking statements are always based on assumptions and estimates relating to uncertain events over which ICT Group N.V. has no control. They concern, for example, measures taken by the Dutch and other governments, currency movements, price fluctuations, changes in law and regulations, legal precedents and market developments. ICT Group N.V. would like to stress that the contents of this press release are based on the information that is currently available. The reality can always deviate from expectations for the future. ICT Group N.V. has no obligation to update the statements contained in this document, unless required by law.

In this press release, where information has been presented in thousands or millions of units, amounts may have been rounded. Accordingly, totals of columns or rows of numbers in tables or charts may not be equal to the apparent sum of the individual items. Actual numbers may differ from those contained herein due to such rounding.

2017 financial information
The 2017 financial information included in the Extracts from Consolidated Financial Statements attached to this press release is derived from the Annual Report 2017, that has been authorized for issue. The Annual Report has not yet been published by law and still has to be adopted by the Annual General Meeting on 09 May 2018. In accordance with section 393, title 9, book 2 of the Netherlands Civil Code, PricewaterhouseCoopers Accountants N.V. has issued an unqualified auditor's opinion on the Annual Report.

Annexes: Extracts from Consolidated Financial Statements 2017
– Consolidated statement of comprehensive income
– Consolidated balance sheet
– Consolidated statement of changes in equity
– Consolidated statement of cash flows
– Other financial information
– Segment information

Consolidated statement of comprehensive income

For the year ended 31 December

(x € 1,000)	**2017**	2016
Continuing operations		
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
Operating profit	**8,439**	**7,372**
Financial expenses	(546)	(538)
Financial income	62	6
Result from joint ventures	113	221
Result from associates	(541)	(1,044)
Result before taxes from continuing operations	**7,527**	**6,017**
Income tax expense	(1,915)	(1,705)
Net profit from continuing operations	**5,612**	**4,312**
Discontinued operations		
Net profit after taxes from discontinued operations	**-**	**810**
Net profit	**5,612**	**5,122**
Other comprehensive income (loss), net of tax	20	(22)
Total comprehensive income	**5,632**	**5,100**
Net profit attributable to:		
- Shareholders of ICT Group N.V.	**5,226**	**5,006**
- Non-controlling interests	**386**	**116**
Total comprehensive income attributable to:		
- Shareholders of ICT Group N.V.	**5,246**	**4,984**
- Non-controlling interests	**386**	**116**
Earnings per share:		
From continuing and discontinued operations		
Basic earnings per share (in €)	0.56	0.56
Diluted earnings per share (in €)	0.56	0.56
From continuing operations		
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)

	As at 31 December			
(x € 1,000)		**2017**		2016
Assets				
NON-CURRENT ASSETS				
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	
		40,877		43,854
CURRENT ASSETS				
Trade and other receivables	33,508		28,595	
Corporate income tax receivable	690		1,134	
Cash and cash equivalents	6,500		5,567	
		40,698		35,296
TOTAL ASSETS		81,575		79,150
Equity and liabilities				
SHAREHOLDERS' EQUITY				
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	
		47,661		43,709
NON-CURRENT LIABILITIES				
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	
		10,702		13,722
CURRENT LIABILITIES				
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	
		23,212		21,719
TOTAL EQUITY AND LIABILITIES		81,575		79,150

Consolidated statement of changes in equity

For the year ended 31 December

	Attributable to owners of the parent									
(x € 1,000)	**Issued share capital**	**Share premium**	**Currency translation reserve**	**Legal reserve**	**Treasury shares**	**Retained earnings**	**Profit for the year**	**Total**	**Non-controlling interest**	**Total equity**
1 January 2016	**875**	**8,411**	**97**	**1,392**	**-**	**21,171**	**3,551**	**35,497**	**-**	**35,497**
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)	-	-	-
31 December 2016	**929**	**13,768**	**75**	**1,744**	**-**	**21,753**	**5,006**	**43,275**	**434**	**43,709**
1 January 2017	**929**	**13,768**	**75**	**1,744**	**-**	**21,753**	**5,006**	**43,275**	**434**	**43,709**
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)	-	-	-
31 December 2017	**941**	**14,209**	**95**	**2,269**	**-**	**24,159**	**5,226**	**46,899**	**762**	**47,661**

Consolidated statement of cash flows

For the year ended 31 December

According to the direct method (x € 1,000)	2017		2016	
CASH FLOW FROM OPERATING ACTIVITIES				
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)
Net cash flow from operating activities		**7,914**		**5,058**
CASH FLOW FROM INVESTMENT ACTIVITIES				
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	
Net cash flow from investment activities		**(2,934)**		**(8,421)**
CASH FLOW FROM FINANCING ACTIVITIES				
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)	
Net cash flow from financing activities		**(4,280)**		**2,219**
Net cash flow		**700**		**(1,144)**
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		**700**		**(1,144)**

Other financial information

(x € 1,000,000)	2017	2016
Revenue	**105.0**	**89.7**
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 [1) 2)]	5.2	5.0
Net cash flow from operating activities	7.9	5.1
Personnel		
Headcount as at 31 December	1,032	969
FTE as at 31 December	990	919
Average number of FTEs for year	966	836
Consolidated balance sheet information		
Shareholders' equity	47.7	43.7
Total equity and liabilities	81.6	79.2
Ratios		
EBITDA / revenue	11.4%	11.5%
Net profit [1) 2)] / revenue	5.0%	5.6%
Net profit [1) 2)] / average shareholders' equity	11.4%	12.6%
Solvency (Shareholders' equity / total assets)	58.4%	55.2%
Information per share of a nominal value of 0.10 (in €)		
Net profit [1) 2) 3)]	0.56	0.56
Shareholders' equity [4)]	5.06	4.71
Dividend [4) 5)]	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
Revenue:					
Revenue from professional services	74,622	8,509	8,697	-	91,828
Revenue from solutions / products	5,962	-	7,199	-	13,161
Total from clients	**80,584**	**8,509**	**15,896**	**-**	**104,989**
Inter-segment	694	1,132	487	(2,313)	-
Total revenue	**81,278**	**9,641**	**16,383**	**(2,313)**	**104,989**
Operating expenses directly attributable to the operating segments	58,648	5,643	10,177	(2,313)	72,155
Segment Gross profit	**22,630**	**3,998**	**6,206**	**-**	**32,834**
Allocated operating expenses	14,367	2,120	4,349	-	20,836
Operating profit before amortisation and depreciation	**8,263**	**1,878**	**1,857**	**-**	**11,998**
Allocated amortization and depreciation	1,386	709	1,464	-	3,559
Impairment charges	-	-	-	-	-
Operating profit	**6,877**	**1,169**	**393**	**-**	**8,439**
Financial expenses					(546)
Financial income					62
Result from joint ventures					113
Result from associates					(541)
Profit before taxation					**7,527**
Taxes					(1,915)
Net profit					**5,612**
Segment Assets	37,866	6,907	36,802		81,575
Segment Liabilities	17,194	940	15,780		33,914
Other notes					
Operating profit before amortisation and depreciation/ total revenue	10.2%	19.5%	11.3%	-	**11.4%**
Average number of employees (FTE)	734	142	90	-	966

2016

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