

## **Gigas increases net revenues by 46% and nearly triples EBITDA to EUR 1.62 million**

- ***The Company ends 2018 with gross revenues of EUR 10.16 million***
- ***It delivers a net profit for the second half of the year***

Gigas (GIGA.MAB), a Spanish multinational cloud computer services company, has released its audited results for FY 2018, with significant growth in EBITDA and sales. Gross revenues totalled EUR 10.16 million, up 44% from EUR 7.05 million in 2017, while net revenues reached EUR 8.68 million, up 46% from EUR 5.95 million.

EBITDA for the year amounted to EUR 1.62 million, nearly triple the year-earlier figure of EUR 0.57 million and easily outstripping the EUR 1.34 million budgeted. Noteworthy is that EBITDA grew despite extraordinary M&A costs from the acquisition of two companies in 2018 (Spain's SVT and Colombia's Ability) and provisions for default by a major customer. Both the sales and EBITDA figures exceeded the updated guidance provided by the Company in September thanks to a better-than-expected fourth quarter.

The Group reported its first ever positive EBIT of EUR 92, although finance costs (EUR 273 thousand) and exchange losses (EUR 81 thousand) resulted in a net loss for the year of EUR 148 thousand. However, the Company did achieve a net profit of EUR 119 thousand in the year's second half, as it had anticipated.

Looking ahead to 2019, Gigas expects EBITDA to continue growing and reach EUR 2.55 million (+57.9% vs. 2018), on the back of the Group's operational leverage and growth in gross revenues, to an estimated EUR 11.8 million. However, the sales and EBITDA figures achieved in the fourth quarter of 2018, coupled with the strong start to 2019 commercially, make the Company upbeat regarding earnings for 2019. Meanwhile, GIGAS continues to pursue its strategy of combining organic growth with inorganic transactions to speed up its growth and will continue to assess corporate deals that can add value for shareholders, which would prompt it to raise the forecasts presented.

In summary, 2018 was a good year for GIGAS, with strong growth in sales and EBITDA, the acquisition of two companies, an operating profit and positive cash flow, as well as net profit in the year's second half. The



Company delivered all its forecasts and outperformed both the original budget and updated guidance provided to the market later. 2018 was also a good year for GIGAS shareholders, as the share price rose by 86.8% during the year, from EUR 3.48 to EUR 6.5 per share.

**About Gigas.com**

Gigas is a Spanish cloud computing company listed on the Mercado Alternativo Bursátil (Spanish Alternative Equity Market or MAB) since 2015 (GIGA.MAB). Founded in 2011, it has become one of the world's leader providers in the sector, according to Gartner's "Magic Quadrant for Cloud Infrastructure as a Service" report. Gigas, which offers cloud computing solutions to large corporations and SMEs alike, is widely known for its cutting-edge technology and unrivalled technical support. The company has data centres in Madrid, Miami and Santiago de Chile and offices in Spain, Colombia, Chile, Peru, Miami, Panama and Mexico.

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