



PRESS RELEASE

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1H 2018 earnings and FY 2018 guidance

Gigas reported a 37.3% increase in gross sales, achieving recurring EBITDA excluding extraordinaries of EUR 824 thousand

The Company has revised up its guidance for the full year and now expects sales of close to EUR 10 million and EBITDA of EUR 1.5 million

Gigas (GIGA.MAB), a Spanish multinational cloud computer services company, has released its earnings for the first half of 2018. Gross sales in the first six months of the year amounted to EUR 4.61 million, up 37.3% year-on-year (from EUR 3.36 million). The number includes revenue from the two companies acquired this year, SVT in Spain and Ability in Colombia, from their acquisition date. Moreover, the total customer base grew to 3,963 customers.

The company reported EBITDA in 1H 2018 of EUR 412 thousand, held back by two non-recurring cost items, a provision for default by a major customer (which led to a EUR 315 thousand increase in this item), and the transaction costs arising from the acquisitions of SVT and Ability. Stripping out these costs, recurring EBITDA in 1H 2018 was EUR 824 thousand, above the EUR 592 budgeted for the period.

The 2018 budget called for EUR 9.29 million of gross sales, but with the acquisition of Ability, revenue is on track to reach EUR 9.8 million this year (net revenue of EUR 8.5 million, compared with the original budget of EUR 8.1 million). The company expects EBITDA to end the year at around EUR 1.5 million, above the EUR 1.34 budgeted, despite the impact of one-offs.

According to Diego Cabezudo, CEO of Gigas, “*the company continues to showcase its ability to generate higher EBITDA*”. Moreover, “*if our forecasts are met, we should end 2018 with an annual run rate for EBITDA of over EUR 2 million, giving an EBITDA ratio of over 20% and leaving Gigas in a strong position ahead of 2019*”, he added.

Lastly, the Company expects to become net cash positive for the first time in the second half of the year, registering its first ever net profit,



which would mark a new milestone in the Gigas' growth history.

About Gigas.com

Gigas is a Spanish cloud computing company listed on the Mercado Alternativo Bursátil (Spanish Alternative Equity Market, or MAB) (ticker: GIGA.MAB). Founded in 2011, it has become one of the world's leading 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. With data centers in Madrid, Barcelona, Miami, Bogota and Santiago de Chile, the company has offices in Spain, Colombia, Chile, Peru, Miami, Panama and Mexico.

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