

March 13, 2019

:Technologies One1

**Revenues in 2018 increased to approximately
NIS 1.43 billion;
Annual net profit - approximately NIS 69.1
million**

**Revenues in the fourth quarter of 2018 increased by
approximately 4.9%, to approximately NIS 400 million; Net
profit in the quarter - approximately NIS 20.8 million**

**The Company distributed dividends to its shareholders in
2018 in the amount of approximately NIS 43.8 million**

Adi Eyal, the Company's CEO: "We are concluding 2018 with operational growth and stable profitability, and are preparing for accelerated growth in 2019. Near the end of 2018 we made two significant transactions in the software segment, in which we acquired the companies Advantech and Sense BI: acquisitions which are expected to generate an aggregate revenue rate of NIS 120 million per year, and to establish One1 as the leader of the SAP segment in Israel, while deepening our penetration into the BI segment. Along with these acquisitions, we have also performed several additional significant processes, which will expand the array of solutions offered by One1 to its customers, including intensifying our activities in the digital, cloud and mobile segments, and changing the Group's organizational structure to increase the efficiency of management processes in the Group's member companies. We believe that all of these processes will bring results in 2019".

One1 Technologies Ltd., one of the leading IT companies in Israel, concludes the fourth quarter and the year of 2018.

Main results in 2018

The Company's revenues in 2018 increased by approximately 2.6%, to approximately NIS 1.43 billion, as compared with approximately NIS 1.39 billion in the corresponding period last year. The increase in revenue was due to the organic growth of revenue in the software solutions and services segment, and in the infrastructure and computing solutions segment.

- **Revenues in the software segment** increased in 2018 by approximately 4.1%, to approximately NIS 627 million, as compared with approximately NIS 602.1 million in the corresponding period last year. The increase was partially due to the organic growth of the activities in this segment, and partially to the initial consolidation of companies which were acquired during the reporting period.
- **Revenues in the infrastructure segment** increased in 2018 by approximately 2.7%, to approximately NIS 693 million, as compared with approximately NIS 675 million in the corresponding period last year. The increase was due to the organic growth of the Company's activities in this segment.
- **Revenue in the managed services segment** amounted in 2018 to NIS 128 million, similarly to the corresponding period last year.

Gross profit in 2018 increased by approximately 1.1%, to approximately NIS 242 million, as compared with approximately NIS 239.1 million in the corresponding period last year. The rate of gross profit in 2018 amounted to approximately 16.9%, as compared with approximately 17.1% in the corresponding period last year.

Operating profit in 2018 amounted to approximately NIS 94.2 million (approximately 6.6% of revenue), as compared with operating profit of approximately NIS 96 million in the corresponding period last year (approximately 6.9% of revenue).

- **Operating profit in the software segment** amounted in 2018 to approximately NIS 63 million, as compared with approximately NIS 64 million in the corresponding period last year.
- **Operating profit in the infrastructure segment** increased in 2018 by approximately 1.4%, to approximately NIS 33.7 million, as compared with approximately NIS 33.3 million in the corresponding period last year.
- **Operating profit in the managed services segment** amounted in 2018 to approximately NIS 6 million to approximately 5.7 million, as compared with approximately NIS 5.9 million in the corresponding period last year.

EBITDA in 2018 amounted to approximately NIS 110.5 million, as compared with approximately NIS 113.1 million in the corresponding period last year. The decrease was due to the decrease in operating profit.

The Company concluded 2018 with an increase of approximately 3.4% in net profit, to approximately NIS 69.1 million (approximately NIS 65.7 million attributable to shareholders), as compared with approximately NIS 66.8 million (approximately NIS 66.4 million attributable to shareholders) in the corresponding period last year. The increase was partially due to the decrease in financing expenses with respect to the update to the business combination liability.

Main results in the fourth quarter of 2018

The Company's revenues in the quarter increased by approximately 4.9% to approximately NIS 400 million, as compared with approximately NIS 381.2 million in the corresponding quarter last year. The increase in revenue was recorded primarily due to the increase of revenue in the software segment, inter alia due to the initial consolidation of companies which were acquired during the quarter.

Gross profit in the quarter increased to approximately NIS 68.7 million (approximately 17.3% of revenue), as compared with approximately NIS 68.4 million in the corresponding quarter last year (17.9% of revenue).

Operating profit in the quarter amounted to approximately NIS 29.5 million (7.4% of revenue), as compared with approximately NIS 30 million (7.9% of revenue) in the corresponding quarter last year.

EBITDA in the quarter amounted to approximately NIS 34.3 million, as compared with approximately NIS 34.4 million in the corresponding quarter last year.

The Company concluded the fourth quarter of 2018 net profit of approximately NIS 20.8 million (approximately NIS 19.2 million attributable to shareholders), as compared with approximately NIS 20.1 million (approximately NIS 19.9 million attributable to shareholders) in the corresponding period last year.

The scope of cash and cash equivalents as of December 31, 2018, amounted to approximately NIS 105.3 million.

The Company's equity as of December 31, 2018 increased to approximately NIS 298.7 million, as compared with approximately NIS 268.4 million at the end of 2017.

One1 Software Technologies is one of the leading IT companies in the industry. The Company provides end-to-end IT solutions through "One1 Home for IT" to over 1,500 customers in various market segments, including telecom, industry, IT, banking and finance, insurance, retail, commerce, and more. The Company employs over 3,000 professional employees in Israel and around the world. The Company operates based on a customer-focused strategy, and provides the full spectrum of IT solutions under one roof: From hardware infrastructure and advanced storage systems, to complex software solutions and projects. The Company is also engaged in the hardware products and IT systems marketing segment, and in the provision of comprehensive managed services in the organizational IT segment. The Company's stock is included in the Tel Aviv 125 Index. The Company's CEO is Mr. Adi Eyal.

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