

Today's workplace
is changing
It's any time
anywhere



2010 HALF-YEAR RESULTS



AGENDA

- ➔ Group profile
- ➔ Increase in half-year results
- ➔ A solid financial position
- ➔ A major external growth transaction
- ➔ Conclusion and outlooks



GROUP PROFILE



A SERVICES COMPANY

- ➔ An ICT services provider, specialized in B-to-B
- ➔ A direct presence in 8 European countries and in Morocco *
- ➔ 2,250 employees including 1,600 engineers and technicians
- ➔ More than 25 years of experience
- ➔ Listed since 1986 (Euronext Brussels)

* France, Belgium, The Netherlands, Italy, Spain, Luxembourg, Germany, The UK



A COMPLETE
RANGE IN THE
MANAGEMENT
OF IT AND
TELECOM
RESOURCES

➔ Four complementary fields of expertise

- Financing and asset management
- Supplier of IT products and solutions
- IT services
- Telecom solutions

IT FINANCIAL SERVICES

PRODUCTS & SOLUTIONS

MANAGED SERVICES

TELECOM SERVICES



VISION OF THE MARKET

- ➔ The new technologies and mobility solutions have transformed organizations and generated new needs for users.
- ➔ A key issue: to ensure that all company employees have ANY TIME, ANYWHERE the communication tools and ACCESS TO THE INFORMATION necessary to efficiently carry out their mission.



ECONOCOM'S MISSION

Econocom guides and supports its customers in IT and telecom infrastructure management by providing mobility solutions customized to their users.



HORIZON 2012 STRATEGIC PLAN

- ⇒ A five year strategic plan (2008–2012)
- ⇒ A strong strategic axis supporting the group's growth
- ⇒ A clear vision of the market and a conviction:

In a highly competitive IT market,
innovation is the main factor of differentiation
to build the group leadership





HORIZON
2012
STRATEGIC
PLAN

INNOVATION AT THE HEART OF THE ECONOCOM STRATEGY

STRATEGIC PLAN 2003-2007



To regain leadership
through innovation

STRATEGIC PLAN 2008-2012



Reinforce our leadership
by uniting our talents
in the scope of enterprise solutions



HORIZON
2012
STRATEGIC
PLAN

ENTERPRISE SOLUTIONS

6 differentiating offerings
and cross-activity to Econocom businesses

myPC
by econocom

papyrus
by econocom

mobileasy
by econocom

desktop
ondemand
by econocom

7remote
services
by econocom

a2Z *technology
made easy*

FOR A BETTER MARKET PENETRATION



INCREASE IN HALF-YEAR RESULTS



INCREASE IN
HALF-YEAR
RESULTS

MAIN FIGURES AS OF 06/30/2010





INCREASE IN HALF-YEAR RESULTS

CONSOLIDATED P&L STATEMENT AS OF 06/30/2010 (M€)

	H1 2009	H1 2010	
Revenue	346.2	361.3	+4.4%
Recurring operating profit	9.2	10.7	+17.3%
Operating profit	8.8	9.3	
Profit before tax	8.6	9.0	
Tax	(2.5)	(2.7)	
Net profit, group share	6.1	6.2	+2.7%
Net earnings per share (€)	0.251	0.277	+10.4%



INCREASE IN HALF-YEAR RESULTS

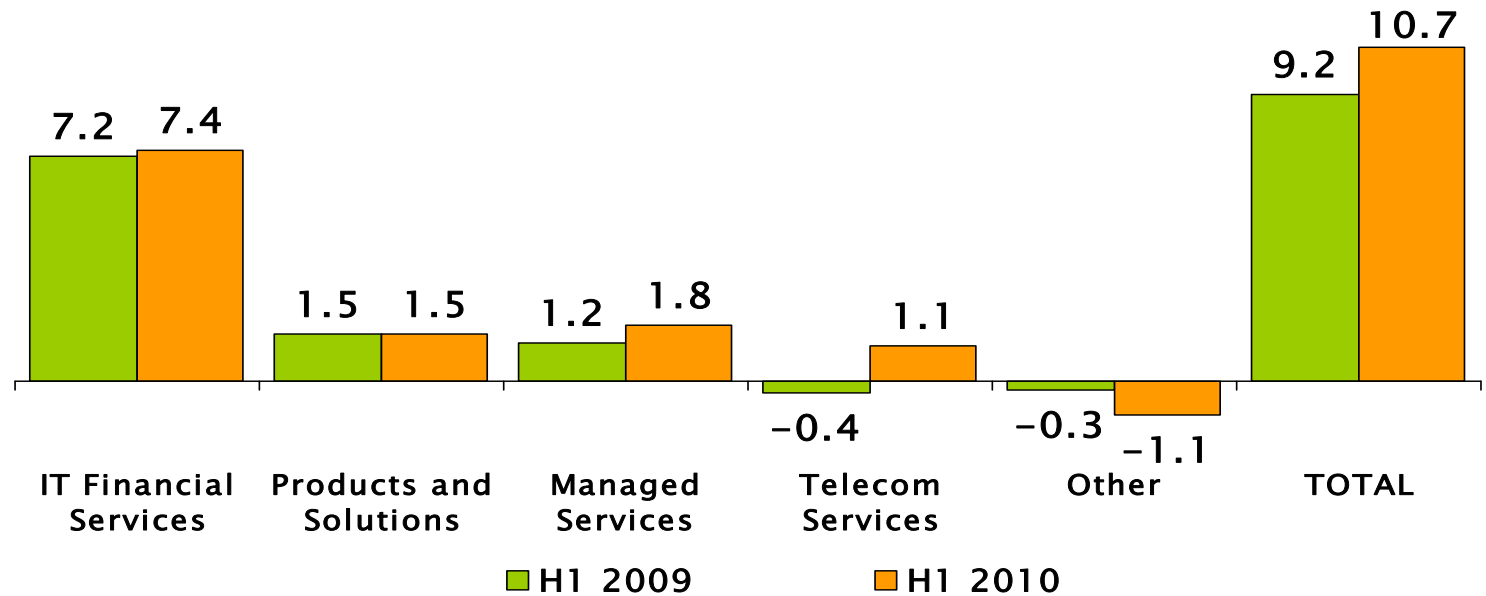
CONSOLIDATED REVENUE PER ACTIVITY (M€)

	H1 2009	H1 2010	%
IT Financial Services	173.3	185.2	+6.9%
Products and Solutions	95.0	99.0	+4.2%
Managed Services	64.3	59.2	-7.9%
Telecom Services	13.6	17.9	+31.6%
TOTAL ECONOCOM GROUP	346.2	361.3	+4.4%



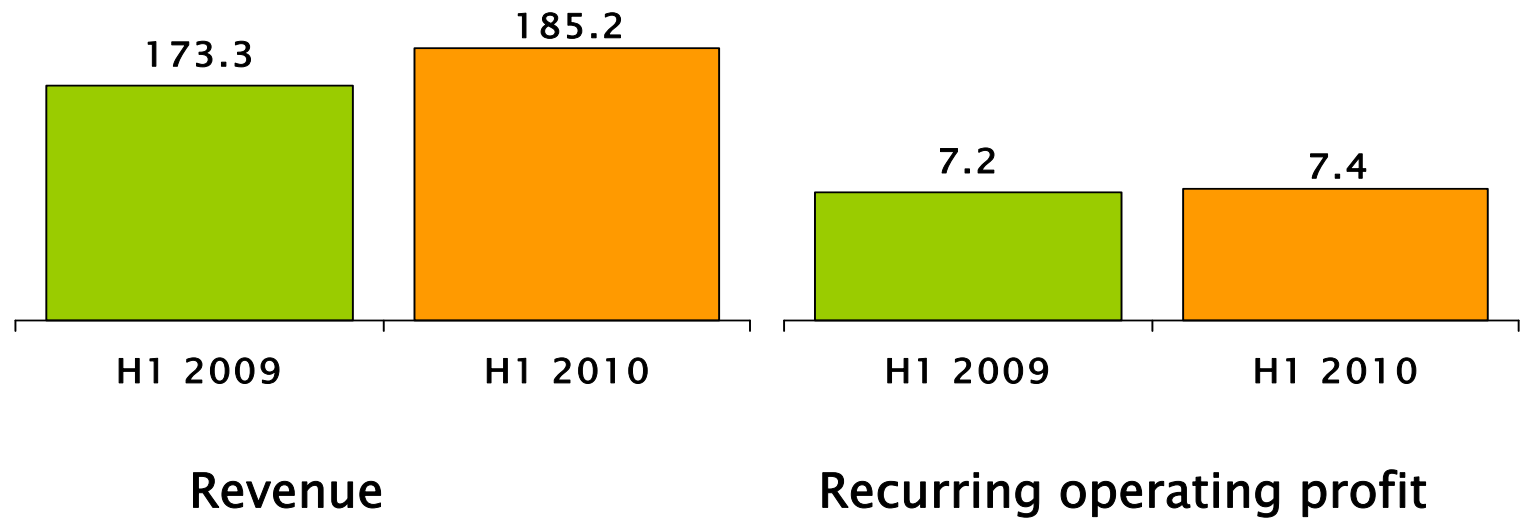
INCREASE IN HALF-YEAR RESULTS

CONTRIBUTION OF THE ACTIVITIES TO RECURRING OPERATING PROFIT (M€)





IT FINANCIAL SERVICES



A very dynamic activity



IT FINANCIAL SERVICES

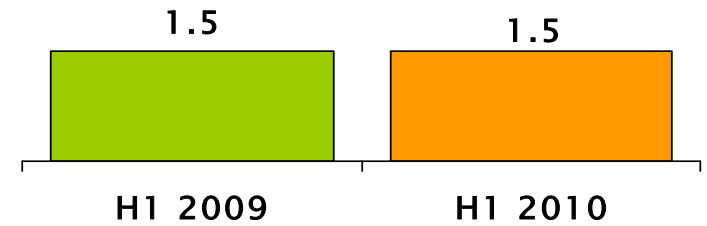
- ➔ A growing business: companies are seeking for financing and management solutions
- ➔ A commercial development driven by the success of enterprise solutions
- ➔ A proven ability to sign large contracts (> 20M€) and a "prospects" portfolio targeting major accounts



PRODUCTS AND SOLUTIONS



Revenue



Recurring operating profit

Revenue growth of 4%
Steady profitability levels

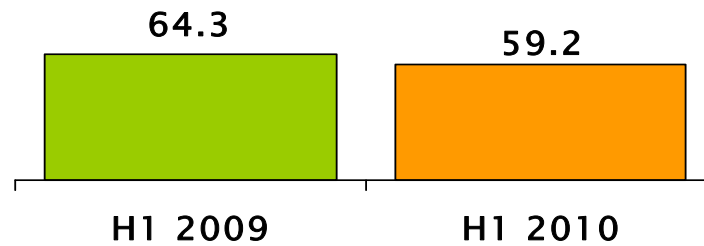


PRODUCTS AND SOLUTIONS

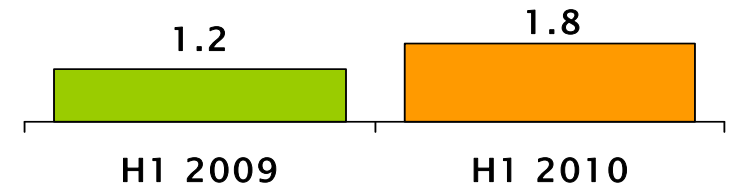
- ➔ Increase in order books thanks to:
 - the development of new offerings: Medical and Multimedia BU, desktop virtualization...
 - the success of enterprise solutions and more specifically the Desktop on Demand offering
- ➔ A business model built around variable costs
- ➔ On the first half of 2010, answer to very large public tenders: 2 successes on the 3rd quarter of the year, including “Région Midi-Pyrénées” (France)



MANAGED SERVICES



Revenue



Recurring operating profit

Back to a more satisfactory profitability

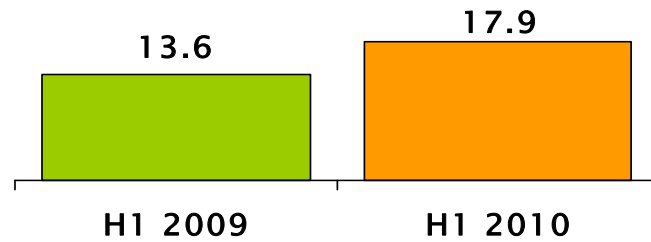


MANAGED SERVICES

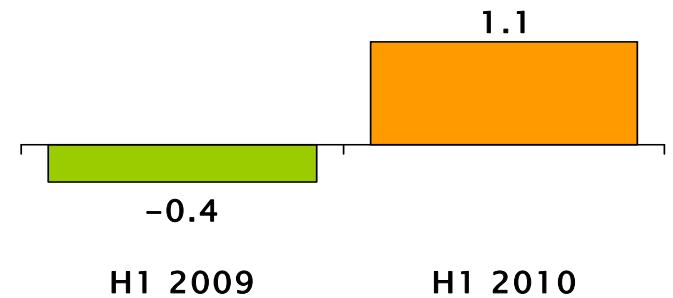
- ⇒ Significant efforts to streamline costs in France
- ⇒ Investments made in 2009 – ramp up of a major outsourcing contract in Belgium and of a remote services center in Morocco – are now showing positive results
- ⇒ Recognized quality of services: for the third consecutive year, Econocom is ranked N°1 IT service provider in Belgium and Luxembourg by EquaTerra
- ⇒ A complete range of services regularly enriched: launching of the “7 Remote Services” offering to meet high demand in migrating IT portfolio to Windows 7



TELECOM SERVICES



Revenue



Recurring operating profit

A growth of 30% in revenue
Strong increase in profitability



TELECOM SERVICES

- ➔ On H1, signing of several major and multi-year contracts
- ➔ A mobility market creating new projects for companies (strong growth of the smart phone market), including the integration of mobile tools running job-specific applications
- ➔ A joined operational approach for distribution activities in telecom and IT materials in order to create business and cost synergies



A SOLID FINANCIAL POSITION



A SOLID
FINANCIAL
POSITION

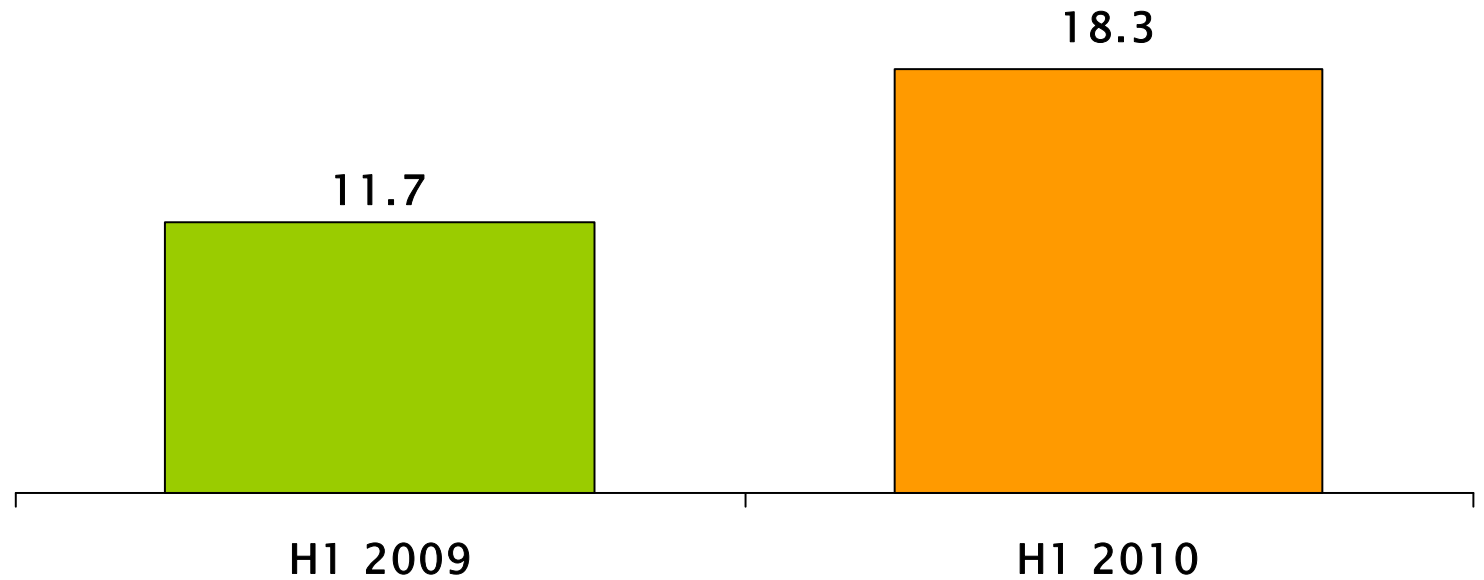
CONSOLIDATED FINANCIAL STATEMENT
AS OF 06/30/2010 (M€)

	H1			H1	
	2009	2010		2009	2010
NON CURRENT ASSETS	69.2	77.2	SHAREHOLDERS' EQUITY	79.7	91.2
CURRENT ASSETS	267.0	291.5	LIABILITIES	256.5	277.5
Inventories	8.5	9.5	Provisions	9.2	11.8
Accounts receivable	184.3	199.2	Accounts payable	134.8	157.6
Cash assets	44.2	58.2	Financial debts	34.7	42.1
Other debtors and current assets	30.0	24.6	Other creditors and current liabilities	77.8	66.0
TOTAL ASSETS	336.2	368.7	TOTAL LIABILITIES	336.2	368.7



A SOLID
FINANCIAL
POSITION

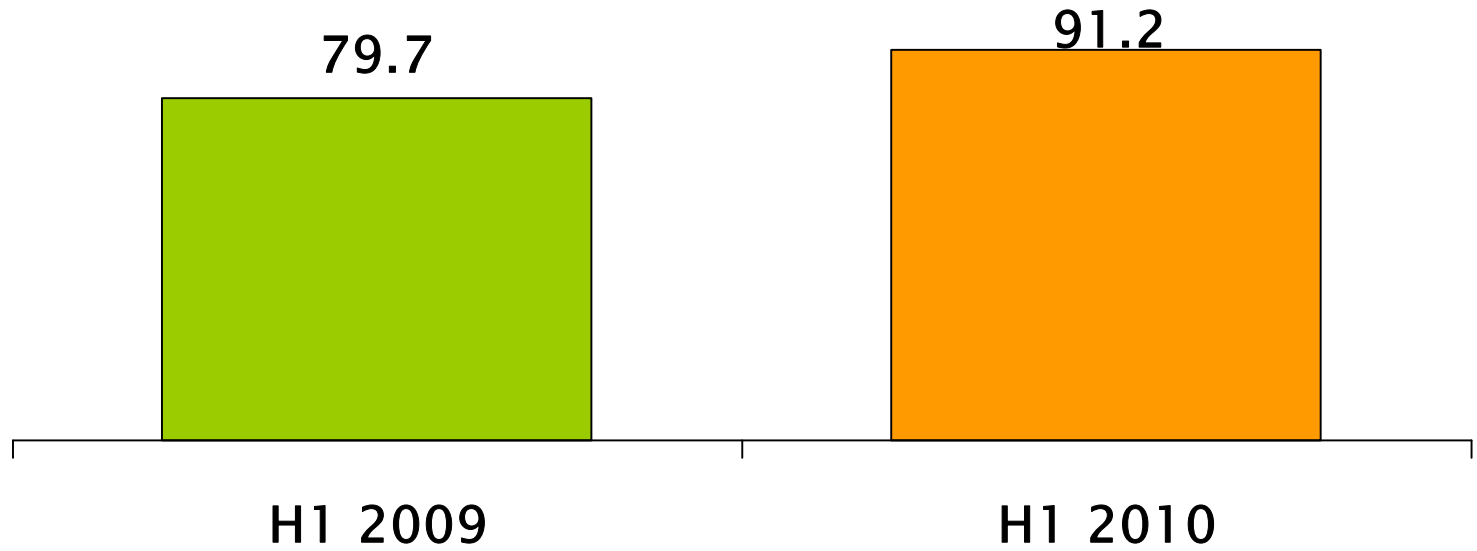
GROWTH OF NET CASH (M€)





A SOLID
FINANCIAL
POSITION

SHAREHOLDERS' EQUITY (M€)





A SOLID
FINANCIAL
POSITION

CASH FLOW STATEMENT (M€)

	H1 2009	H1 2010
Cash flow	14.6	13.0
Change in working capital and tax	(12.4)	(20.5)
Cash flow from operations	2.2	(7.4)
Investment flow	(5.1)	(3.5)
Change in own-shares	(5.7)	4.8
Dividends paid	(5.1)	(6.9)
Reimbursement of debts and others	1.1	8.7
Change in cash position	(12.6)	(4.3)



**A SOLID
FINANCIAL
POSITION**

THE ECONOCOM GROUP SHARE AS OF 08.31.2010

Market capitalization as of August 31 st , 2010	M€ 270
Quoted price as of August 31 st , 2010	€ 10.89
Market capitalization / Shareholders' equity	2.96
Gross dividend (Shareholders' Meeting – May 18, 2010)	€ 0.30
Total number of shares	24,800,000
Total number of shares excluding own-shares as of August 31 st , 2010	23,325,624



A MAJOR EXTERNAL GROWTH TRANSACTION



A MAJOR
EXTERNAL
GROWTH
TRANSACTION

A MOTIVATING AND AMBITIOUS PROJECT

- ➔ On July 1st, 2010, Econocom Group and Société Générale have entered into exclusive negotiations for the acquisition of ECS Group by Econocom.
- ➔ In a concentrated market where the size becomes a strategic issue, creation of the European leader of ICT infrastructures services for companies.



ECS GROUP: HISTORIC MATTERS

- ⇒ Founded by Jean-Louis Bouchard in 1974
- ⇒ Historic business: financing IT infrastructures
- ⇒ 1982: Société Générale buys 60% of ECS to CCF
- ⇒ 1984: Jean-Louis Bouchard activates his “succession right” and sells his participation in ECS to Société Générale
- ⇒ Jean-Louis Bouchard keeps the foreign subsidiaries which are renamed Econocom a few years later



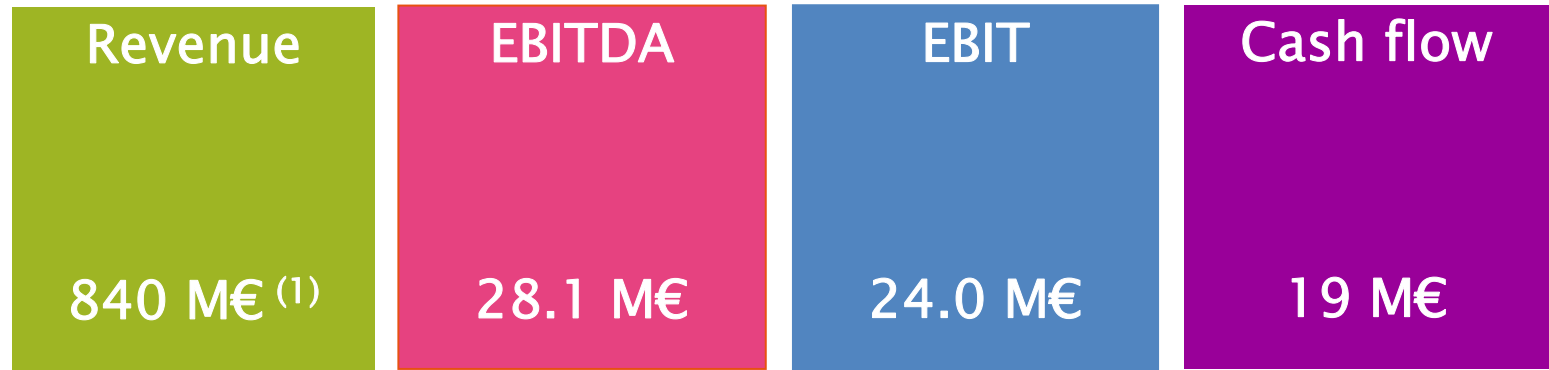
ECS GROUP: HISTORIC MATTERS

- ➔ Specialized in IT systems management and monitoring
- ➔ An expertise in two businesses: financing solutions and managed services
- ➔ Located in 17 countries⁽¹⁾, with a strong presence in Western Europe and subsidiaries in Eastern Europe, Morocco, the United States and China
- ➔ More than 1,500 employees
- ➔ More than 35 years of experience
- ➔ 100% subsidiary of Société Générale

(1) Germany, Belgium, China, Spain, USA, France, Ireland, Italy, Luxembourg, Morocco, The Netherlands, Poland, Czech republic, Romania, The UK, Slovakia, Switzerland



ECS GROUP:
HISTORIC
MATTERS

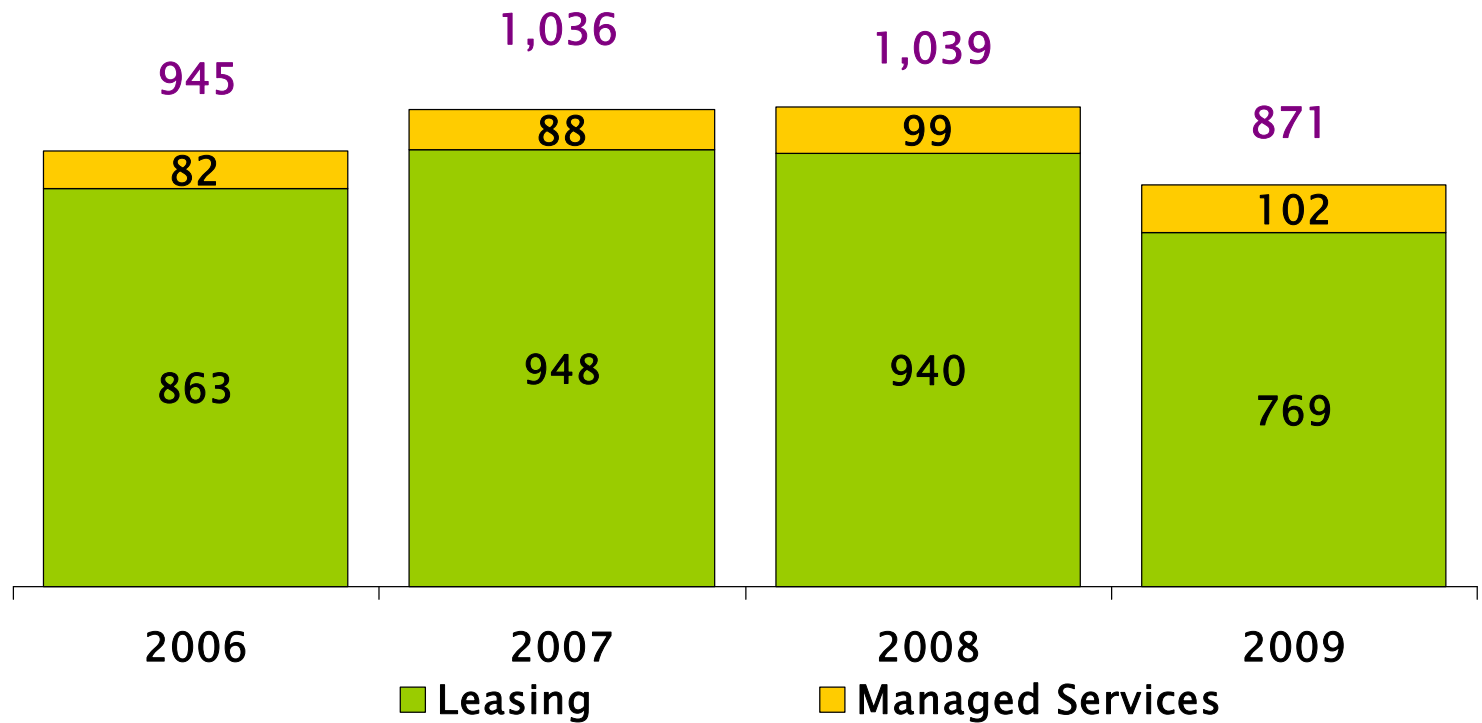


(1) Excl. non consolidated subsidiaries (31 M€)



ECS GROUP:
HISTORIC
MATTERS

EVOLUTION OF REVENUE (M€) ⁽¹⁾
(IFRS)

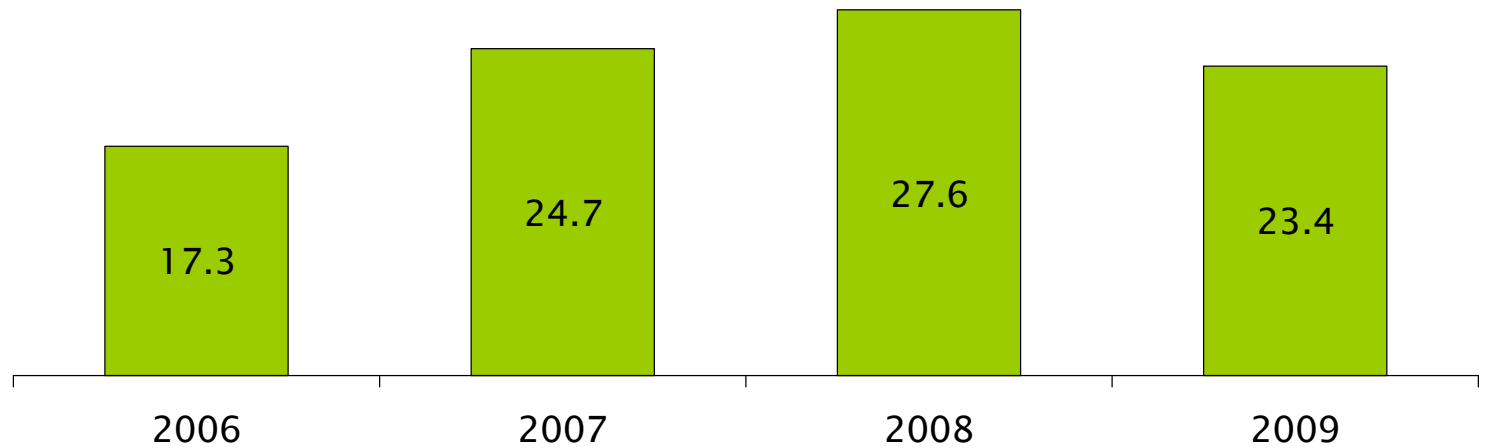


(1) Incl. non consolidated subsidiaries



ECS GROUP:
2009 MAIN
FIGURES

EVOLUTION OF OPERATING PROFIT (EBIT – M€) ⁽¹⁾
(IFRS)



(1) Incl. non consolidated subsidiaries



**ECS GROUP:
2009 MAIN
FIGURES**

**CONSOLIDATED FINANCIAL STATEMENT
AS OF 12/31/2009 (M€)
(FRENCH GAAP)**

NON-CURRENT ASSETS	44.1	SHAREHOLDERS' EQUITY	131.9
CURRENT ASSETS	794.6	LIABILITIES	706.8
Inventories	79.9	Provisions	10.6
Accounts receivable	614.2	Accounts payable	459.3
Cash assets	44.0	Financial debts	127.9
Other debtors and current assets	56.5	Other creditors and current liabilities	109.0
TOTAL ASSETS	839.0	TOTAL LIABILITIES	839.0



ECS GROUP:
2009 MAIN
FIGURES

CASH FLOW STATEMENT AS OF 12/31/2009 (M€)
(FRENCH GAAP)

Cash flow	19
Change in working capital and tax	5
Cash flow from operations	24
Investment flow	(4)
Dividends paid	(15)
Reimbursement of debts and others	21
Change in cash position	26



MOTIVATIONS OF THE DEAL

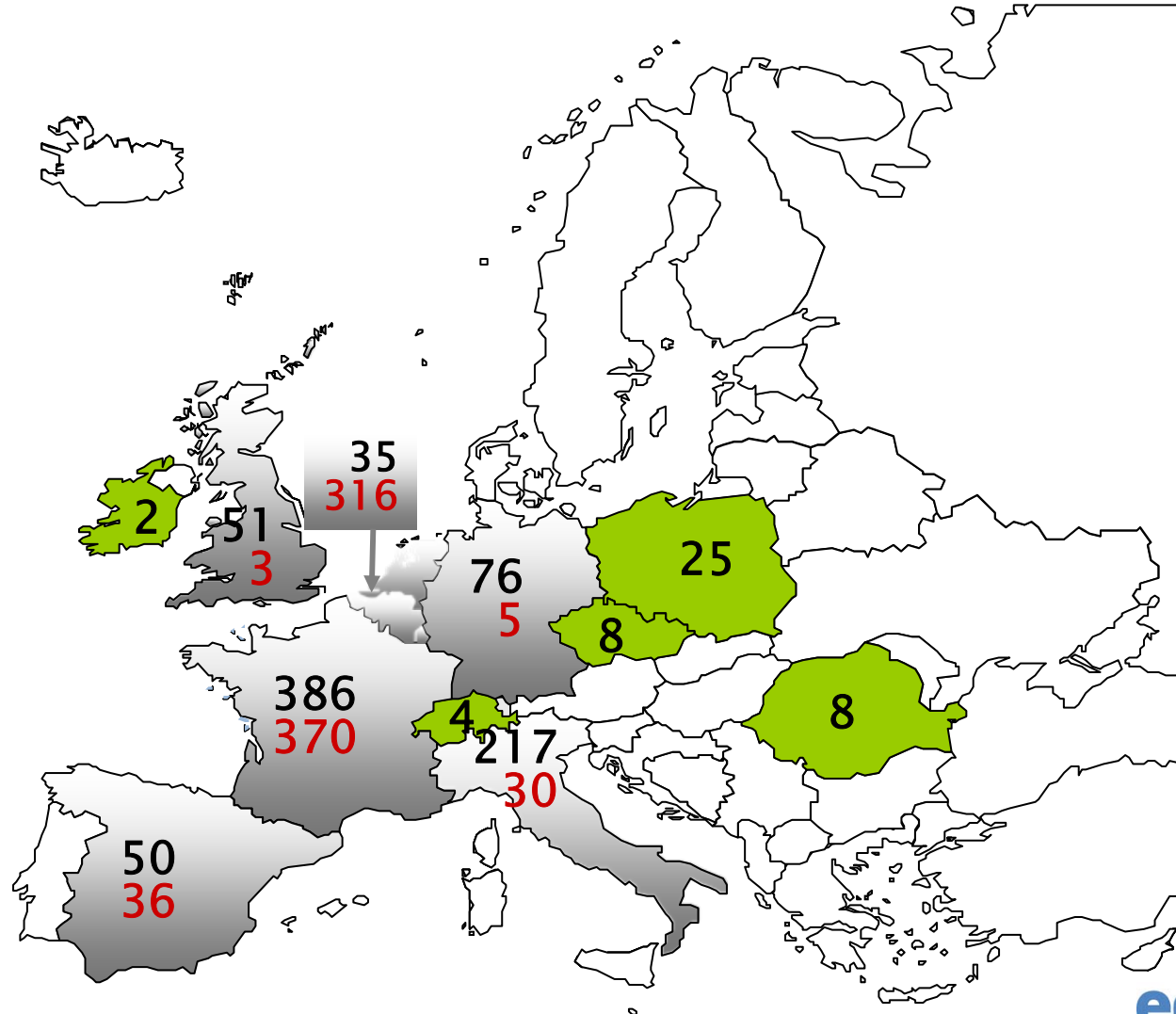
THE LEADING INDEPENDENT GROUP IN INFRASTRUCTURE MANAGEMENT

- ➔ Near 4,000 employees
- ➔ A revenue amounting to € 1.6 billion
- ➔ 4 complementary businesses
- ➔ A position which gets reinforced on 7 large markets in Western Europe and extended to Eastern Europe, Morocco, China and the United States



MOTIVATIONS OF THE DEAL

GEOGRAPHICAL COMPLEMENTARITY



Revenue
2009 (M€)
ECS

Revenue
2009 (M€)
Econocom

ECS:
presence too
in Morocco,
China and
USA

Econocom:
presence too
in Morocco



MOTIVATIONS OF THE DEAL

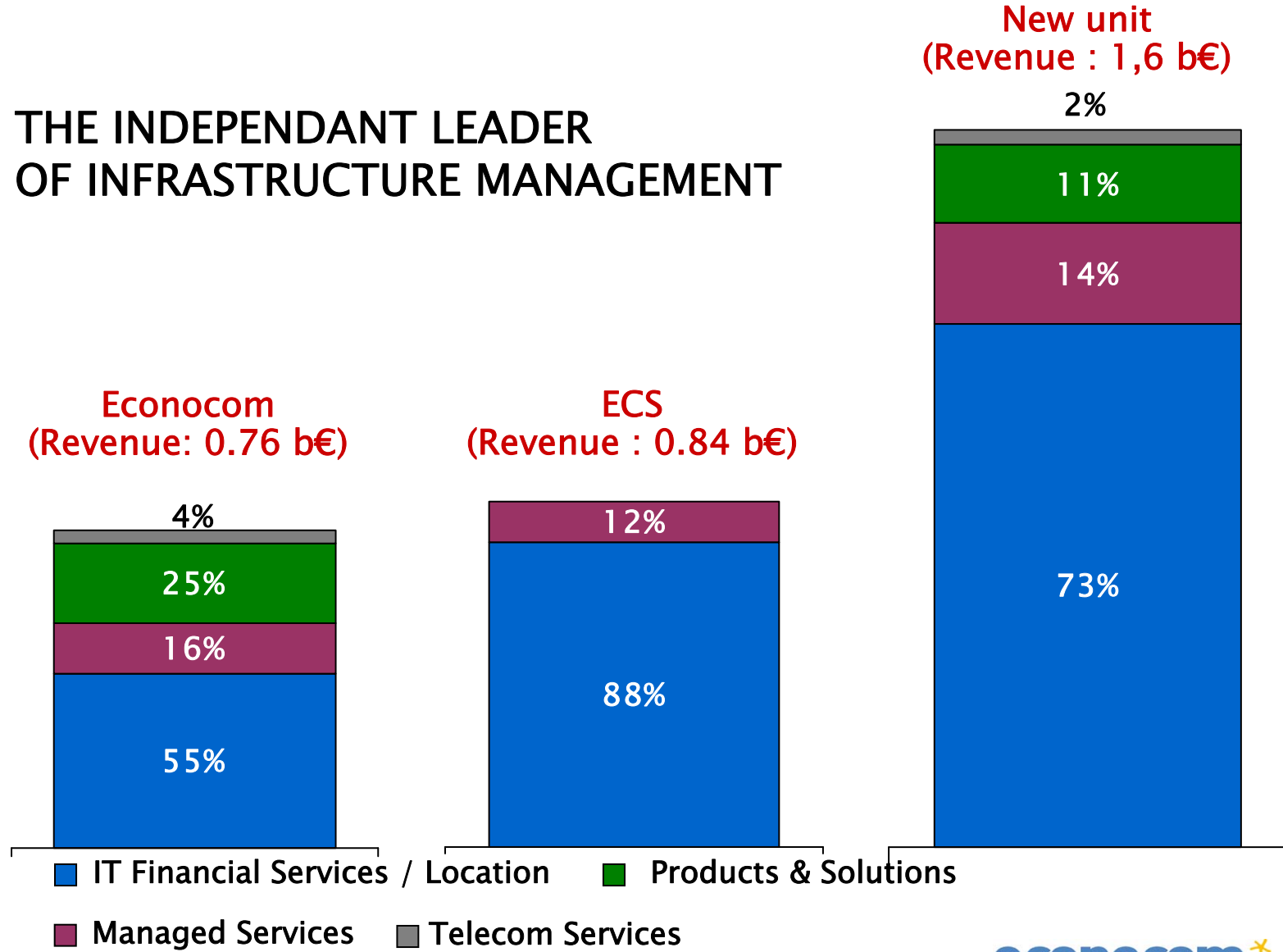
A STRONG CULTURAL PROXIMITY OF THE TWO GROUPS

- ⇒ A common history and the same founder
- ⇒ Close businesses
- ⇒ Managers and teams which know each other



MOTIVATIONS OF THE DEAL

THE INDEPENDANT LEADER OF INFRASTRUCTURE MANAGEMENT





MOTIVATIONS OF THE DEAL

BUSINESS SYNERGIES

- ⇒ Credibility towards very large companies reinforced by the size of the new unit and its geographic coverage
- ⇒ Strong complementarity of the 2 groups' sales forces: competences in SME for ECS and in large accounts for Econocom
- ⇒ Widened range of services regarding servers (ECS), distributed ICT infrastructures and telecom (Econocom)



MOTIVATIONS OF THE DEAL

BUSINESS SYNERGIES – SERVICES

- ➔ An immediate complementarity
- ➔ The operation will make it possible to have an offer on the global ICT infrastructure
 - In services, the new group reaches a critical size (revenue higher than 250 M€).
 - ECS proposes a server business continuity activity, which covers 35 countries.
 - The Econocom offering is mainly centered on the workstation (distributed infrastructure) and telecom.
 - A new international size.



MOTIVATIONS OF THE DEAL

TWO NEW BUSINESSES THAT WILL BENEFIT TO ECS CUSTOMERS

ICT products and solutions business

- ➔ Implementation of companies' IT architecture
- ➔ A powerful supply chain: large hardware and software catalog
- ➔ An offering that supports users' mobility



MOTIVATIONS OF THE DEAL

TWO NEW BUSINESSES THAT WILL BENEFIT TO ECS CUSTOMERS

Telecom business

- ➔ Making companies information system mobile thanks to its positioning at the heart of IT and telecom convergence
- ➔ A complete range of offerings based on an added-value expertise
- ➔ A single provider capable of managing a global service



MOTIVATIONS OF THE DEAL

ENTERPRISE SOLUTIONS

An original way to address a specific customer issue by combining different offerings from different businesses

⇒ Enterprise solutions are a real success

- 15 customers chose one of them
- 220,000 managed assets
- 43 M€ of revenue signed during the 2010 half-year (50 M€ on 2009)

These offerings will be proposed to ECS customers



MOTIVATIONS OF THE DEAL

A DIVERSIFIED CUSTOMER PORTFOLIO

- ⇒ ECS: around 12,000 customers
- ⇒ 2 main businesses
 - Financing solutions
 - Business continuity
- ⇒ SME positioning
 - Around 6,400 customers have between 0 and 100 users
 - Around 4,900 customers have between 100 and 2,000 users
 - Around 700 customers have more than 2,000 users



MOTIVATIONS OF THE DEAL

COSTS SYNERGIES

- ➔ Increase in productivity: Econocom's track record in executing annual cost optimization plans
- ➔ Rationalization of locations and buildings
- ➔ Standardization of tools



MOTIVATIONS OF THE DEAL

REINFORCING THE RELATIONSHIP WITH SOCIÉTÉ GÉNÉRALE (until end 2014)

- ➔ Carrying on the business contribution by Société Générale agencies network
- ➔ Carrying on a significant volume of refinancing by SGEF: €750 million over all countries



MOTIVATIONS
OF THE DEAL

THE WHOLE BUSINESSES AND COST SYNERGIES
IS ESTIMATED AT 20/25 M€ PER YEAR
BY 2012



Financial facts of the new entity



FINANCIAL FACTS OF THE NEW ENTITY

KEY FIGURES OF THE NEW ENTITY (M€)

(Combined figures based on 2009 data)

Combined revenue	1,600
EBITDA	60
EBIT	52
Net profit	35.3
Cash flow of operations	60



FINANCIAL FACTS OF THE NEW ENTITY

SHARES PRICE

M€ 210

Financing of the operation (M€)

Acquisition debt financing

120

Payment with Econocom Group shares

30

(valued 11€ per share, financed half by own shares and half by issued shares at closing)

Increase in capital

50

– already guaranteed by the 2 first group's shareholders for 10M€ each

– Bridge financing when the market conditions will be favorable

Group's gross cash

10



FINANCIAL FACTS OF THE NEW ENTITY

BALANCE SHEET: MAIN DATA

	After closing and capital increase	Estimated 12/31/2010 (1)	Comments
Equity	165	185	Only 30 M€ of the capital increase are not allotted to date
Net debt	190	135	Improvement due to the action plan on ECS working capital
Gearing	1.15	0.73	

(1) Subject to capital increase



FINANCIAL FACTS OF THE NEW ENTITY

SHAREHOLDING

- ➔ The 2 main group shareholders support the project to a total value of 20 M€
 - ➔ A new shareholder: Société Générale ⁽¹⁾
 - ➔ Shareholding after capital increases
- | | |
|--|------|
| Jean-Louis Bouchard
(indirectly) | 45% |
| Bestinver
(Spanish fund) | 14% |
| Société Générale | 9% |
| Float
(incl. Vincent Wajs – directly and indirectly – 4%) | 32 % |

(1) Estimation done on the basis of an increase in capital valued 11€/share



FINANCIAL FACTS OF THE NEW ENTITY

SOME RATIOS AND KEY FIGURES

⇒ Satisfying balance sheet ratios

- Strong increase of equity 165 M€ ⁽¹⁾
- Indebtness ratio (net debt / equity) less than 1 ⁽¹⁾

⇒ Quick reduction in debt expected thank to:

- The implementation of managing methods for the working capital of Econocom
- The profitability of the new group (synergies)

⇒ Relative in 2011

(1) After capital increase



Agenda of the operation



AGENDA OF THE OPERATION

- ➔ Entered into exclusive negotiations July 1st, 2010
- ➔ Information / IRP consultation of the 2 groups (ongoing)
- ➔ Financial agreements August 6, 2010
- ➔ Acquisition contract signing September 2010
- ➔ Closing October 2010
- ➔ Announcement and implementation January 2011



CONCLUSION AND OUTLOOKS



CONCLUSION

- ➔ On H1, growth in revenue and strong increase in recurring operating profit. The 4 group's activities contribute to the growth of the result.
- ➔ This performance is driven by the success of enterprise solutions that allowed the signing of major contracts, benefiting all activities of the group
- ➔ Investments made in 2009 during the crisis bear fruit and have contributed to the group profitability on H1



OUTLOOKS

- ➔ In the 3rd quarter of 2010, win of several major tenders for projects
- ➔ Another year of growth expected in 2010
- ➔ ECS acquisition project: a decisive step forward in a concentrated IT service market



econocom *
mobility on demand