2015 Half-year results

4 September 2015
Bruno Lemaistre  
Executive Director  
Chief Operating Officer

Jean-Philippe Roesch  
Executive Director  
Support functions

Bruno Grossi  
Executive Director  
Strategy, Acquisitions & Communication

Galliane Touze  
Company Secretary  
in charge of Finance
01 Key figures and H1 highlights

02 A half-year of targeted investments

03 2015 half-year results

04 Outlook for 2015
A European company specialising in the digital transformation of businesses

19 countries
6.4M technology assets managed
40 years’ experience
€2.1Bn revenue in 2014
+8,500 employees
How to support the digitalisation of businesses and customer relations?
A bank that’s ultra-connected to its clients

Econocom assisted the Crédit Agricole Île-de-France bank in modernising its branches and customer experience by advising them and supplying, installing and providing maintenance for the digital and multimedia equipment at all its branches in the Greater Paris area.

Ultra-connected branches divided into 5 spaces (reception, discovery, branch centre, meeting area and display area) equipped with digital touch screens and featuring content management solutions displayed on monitors, kiosks and tablets.

New technology uses introduced to ensure a new dynamic in the customer relationship and offer a glimpse of the banks of the future (side-by-side, interactive meetings depending on customer needs, no more windows or queues).

A SPOC solution combined with multimedia expertise and an added-value partner ecosystem.

280 branches
In the Greater Paris Area equipped Roll-out for 2015 - 2017

almost 3,000
items of multimedia equipment
(large-format standard and touch screens, players, welcome kiosks, tablets and videoconferencing solution)
Key figures and H1 highlights
€1.1 Bn revenue
+ 15%, 13% of which is organic

> Overall dynamic across all activities and geographical areas

€43.4 M recurring operating profit*
+ 35% in restated data

> Double-digit rise in ROP across all core businesses

Operating profit
€40.3 M

> Non-recurring expenses limited to €1M

7 targeted investments
in key sectors and geographical areas

Financial resources strengthened and diversified

> Successful Euro Private Placement (€101 M)

Investments in the sales force

> 40 new employees +7%

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*Before amortisation of the ECS customer portfolio and the Osatis brand (€2.1 M in H1 2015 vs. €1.5 M in H1 2014)

**Joined the new Euronext Tech 40 | Plans to convert to a Societas Europaea**
Building a galaxy focusing on 4 areas of expertise

- Security
- Web & mobile apps
- Digital solutions
- High-level infrastructure & IT consulting
7 targeted investments during the first half

security
DIGITAL SECURITY CLESYS

web & mobile applications
ALTER WAY BIZMATIC

digital solutions*
NEXICA NORCOD

transformation consulting
HELIS

€57 M annual revenue 7% operational profitability around 400 employees

* digital dimension
A half-year of targeted investments
Enhancing our security expertise

**DIGITAL SECURITY**

**CYBER SECURITY FOR IoT**
- **2015:** created
- Europe’s 1st dedicated IoT CERT
- **55%:** Econocom’s stake

**CLESYS**

**SYSTEM AND NETWORK ARCHITECTURE SECURITY**
- **2005:** created
- **6 M€:** 2014 revenue
- **55** engineers
- **100%:** Econocom’s stake
02 A half-year of targeted investments

Security for the highly sensitive banking world

CLESYS helped one of Europe’s largest financial establishments in ensuring security for its IT infrastructures. CLESYS tested, measured and optimised the client’s systems performance via a dedicated, in-house team.

A comprehensive, ongoing system for running penetration tests and vulnerability audits

Monitoring for the whole IT security: infrastructures and applications

Senior management given IT security awareness sessions

Internal test campaigns

Complete control of the measuring tools, targets and results

Independence In terms of frequency and scope of the audits
Expanding in the application and web market

**ALTER WAY**

**OPEN SOURCE SERVICE PROVIDER**

- **1999**: created
- **€11 M**: 2014 revenue
- **120**: employees
- **64%**: Econocom's stake

Best global partner: 2015 Microsoft Open Source on Azure

**BIZMATICIA**

**WEB & MOBILE BUSINESS APPLICATIONS**

- **2000**: created
- **12 M€**: 2014 revenue
- **80**: employees
- **70%**: Econocom's stake
Guaranteeing performance and security for Prisma Media Group’s websites

Alter Way provided hosting and outsourcing for Prisma Media’s critical websites (Gala, Voici, Femme Actuelle, Géo, Télé Loisirs, VSD, etc.) and addressed its needs in terms of high availability and high traffic.

Hosting and outsourcing for the group’s galaxy of websites in a private cloud

Around fifteen websites, including Télé Loisirs, one of France’s top 6 most popular websites (over 50 million visitors a month) - Source OJD July 2015

Industrialised tasks: over 3,000 client requests processed a year

Day-to-day cooperation with the client’s web and DevOps teams

Galaxy of 15 websites

over 100 virtual machines

24/7/365 high-availability hosting to cope with peak traffic
Strengthening the group’s business model in Italy

- **Technology Management & Financing**
  - Historic business
  - National leadership
  - H1 2015 revenue: €127 M
  - Growth: +13%

- **Products & Solutions**
  - Business launched organically
  - New business line
  - Set up in 2014
  - H1 2015 revenue: €6 M
  - Growth: >140%

- **Services expanded via external growth:**
  - First step: BIZMATICA
  - Annual revenue: >€25 M pro forma
  - Growth: x2
Digital Dimension continues to deploy its marketplace for digital solutions

**NEXICA**

**CRITICAL APPLICATION HOSTING, CLOUD EXPERTS**

1999: created in Spain

€9 M 2014 revenue

80 employees

100%: Digital Dimension's stake

**NORCOD**

**DEPLOYMENT OF CONNECTED SOLUTIONS**

1999: created

€12 M 2014 revenue

45 employees

100%: Digital Dimension's stake
Simpler HR management for Total in Asia

Total chose ARAGON-eRH’s OneAragon solution to simplify and harmonise human resources management for its refining/marketing division in Asia. Rolled out in record time across the various sites, the HRIS solution addressed all the group’s IT requirements.

Gradual roll-out of the HR software in SaaS mode: pilot phase in Singapore, followed by deployment all over Asia across all the functional areas and processes.

Improved the existing processes thanks to HRIS: staff administration, expense management in line with the group’s policy and with an interface to the local payroll system, etc.

Simpler, harmonised administrative management and strategic workforce planning via talent management (staff appraisals)

A granular approach to address issues associated with labour laws in each country
Increased added value in consulting

CRITICAL INFRASTRUCTURE CONSULTING

2005: created
+ €8 M 2014 revenue
50 consultants
45%: Econocom's stake
New digital offerings and network solutions for the SNCF

Since 2008 HELIS has been working closely with the SNCF’s IT department to help the company build and improve its service offering*

Helis’ consultants and experts worked with SNCF’s onsite teams in order to define needs and devise the best business and technical offerings and solutions.

Developed a pragmatic approach to create and implement new IT offerings.

Project teams focused on results: project management assistance for functional and technical IT and network architecture.

*the French national railways
Financial results
Half-year revenue

**Growth in revenue**

+ 15%

**Rise in organic growth**

+ 13%
Organic growth across all businesses

- Technology Management & Financing: €567 M (+15%)
- Products & Solutions: €211 M (+26%)
- Services: €344 M (+2%)
- TOTAL: €1,122 M (+13%)
An overall dynamic across all geographical areas
Growth supported by the success of cross-business line digital offerings

**MULTI-BUSINESS LINE REVENUE**

- **€79 M** (H1 2014)
- **€133 M** (H1 2015)
  - +68%

**Multi-business line solutions:** +68%

- **12%** H1 2015 revenue

**Growth driven by multi-business digital solutions:** x2.9 vs. H1 2014
A balanced, differentiating business mix

**Business Mix H1 2015**
- Technology Management & Financing: 50%
- Services: 31%
- Products & Solutions: 19%

**Geographical Mix H1 2015**
- France: 54%
- Southern Europe: 17%
- Benelux: 16%
- Rest of the world: 13%
03 Financial results

Strong growth in recurring operating profit*

42% rise in reported data and up 35% in restated data

All activities posted double-digit growth in recurring operating profit

All reported a rise in operating margin rates

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*Before amortisation of the ECS customer portfolio and the Osiatis brand (€2.1 M in H1 2015 vs. €1.5 M in H1 2014

**Financial operating profit restated as financial expenses/IFRIC 21/ for. discontinued operations (Services Germany)/Interadapt (Brazil)
Increased recurring operating profit across all businesses

- Technology Management & Financing: €25.4 M (+49%)
- Products & Solutions: €4.4 M (+52%)
- Services: €13.6 M (+12%)
- TOTAL: €43.4 M (+35%)
Technology Management & Financing

15% organic growth in revenue to €567 M

Growth supported by EDFL: 5% of H1 revenue

Recurring operating profit of €25.4 M

Improved margin rates with an increase in portfolio (+5%) and outstandings (+3%)

Residual interest remains stable as a % of portfolio (<2% of the purchase price of the portfolio)

Risk outstandings (self-funded & refinanced with recourse): limited to 5% of outstandings

(*)estimated value of assets at the expiry of the lease contract
26% organic growth in revenue to €211 M

€4.4 M recurring operating profit

Improved operating margin rates due to volume

Spearheading the group’s digital strategy: 50% of growth from digital assets

A trend boosted by business synergies with other business lines and a dynamic partnership policy (Microsoft, Apple, Dell, Lenovo, etc.)

Improved competitive positioning:
• 2nd distributor in France and 3rd in Belgium
• Europe’s n° 1 b2b Apple partner
• Successful Education offering in the public sector
• Well established in the government sector (Ministries of Justice, Defence, etc.)
Revenue up to €344 M:
9% growth, 2% of which is organic

The satellites contributed €44 M to consolidated revenue for the first half

Over 7,000 employees

Recurring operating profit: €13.6 M, up 12%

Increasing our expertise in high-growth, high-margin sectors:

- Creating a leading French provider of mobile solutions within Digital Dimension (Econocom Telecom, Rayonnance and Norcod)
- Security division with €15 M revenue
- First dedicated IoT CERT

(*) estimated value of assets at the expiry of the lease contract
### Financial results

#### Consolidated half-year income statement

<table>
<thead>
<tr>
<th></th>
<th>h1 2014 Reported</th>
<th>h1 2014 Restated</th>
<th>h1 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>972.2</td>
<td>973.8</td>
<td>1,122.3</td>
</tr>
<tr>
<td>Recurring operating profit*</td>
<td>30.6</td>
<td>32.1</td>
<td>43.4</td>
</tr>
<tr>
<td>Recurring operating profit</td>
<td>29.1</td>
<td>30.6</td>
<td>41.4</td>
</tr>
<tr>
<td>Non-recurring operating expenses</td>
<td>-5.7</td>
<td>-5.6</td>
<td>-1.1</td>
</tr>
<tr>
<td>Operating profit</td>
<td>23.4</td>
<td>25.0</td>
<td>40.3</td>
</tr>
<tr>
<td>Financial result</td>
<td>-6.3</td>
<td>-8.4</td>
<td>-6.2</td>
</tr>
<tr>
<td>Change in fair value of ORNANE convertible bonds</td>
<td>5.3</td>
<td>5.3</td>
<td>-2.0</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>22.4</td>
<td>21.8</td>
<td>32.1</td>
</tr>
<tr>
<td>Income tax</td>
<td>-6.4</td>
<td>-5.9</td>
<td>-11.5</td>
</tr>
<tr>
<td>Discontinued operations</td>
<td>0.0</td>
<td>-0.9</td>
<td>-0.2</td>
</tr>
<tr>
<td>Profit attributable to owners of the parent</td>
<td>16.3</td>
<td>15.5</td>
<td>20.8</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>h1 2014 Reported</th>
<th>h1 2014 Restated</th>
<th>h1 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Sharp rise in operating profit: +61%</td>
</tr>
<tr>
<td>Non-recurring expenses limited to €1.1 M</td>
<td></td>
<td></td>
<td>Financial expenses reduced due to optimisation of financial debt (ORNANE convertible bonds and Euro PP)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Negative impact (non-cash) of the ORNANE mark-to-market due to the rise in the share price: - €2 M vs. + €5 M in H1 2014</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Net profit: €20.4 M, + 36%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Restated net profit* of €24.1 M</td>
</tr>
</tbody>
</table>

*Before amortisation of the ECS customer portfolio and the Osatis brand and before the change in fair value of the ORNANE derivative, net of incometaxe
## Financial results

### Consolidated balance sheet on 30 June 2015

<table>
<thead>
<tr>
<th>ASSETS (in €M)</th>
<th>31/12/2014</th>
<th>31/12/2014</th>
<th>30/06/2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Reported</td>
<td>Restated</td>
<td></td>
</tr>
<tr>
<td>Goodwill</td>
<td>381</td>
<td>381</td>
<td>442</td>
</tr>
<tr>
<td>Leasing residual interest</td>
<td>63</td>
<td>63</td>
<td>66</td>
</tr>
<tr>
<td>Other non-current assets</td>
<td>123</td>
<td>122</td>
<td>124</td>
</tr>
<tr>
<td><strong>NON-CURRENT ASSETS</strong></td>
<td>567</td>
<td>566</td>
<td>632</td>
</tr>
<tr>
<td>Leasing residual interest</td>
<td>26</td>
<td>26</td>
<td>27</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>724</td>
<td>724</td>
<td>893</td>
</tr>
<tr>
<td>Other current assets</td>
<td>76</td>
<td>76</td>
<td>108</td>
</tr>
<tr>
<td>Cash</td>
<td>207</td>
<td>207</td>
<td>132</td>
</tr>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td>1,033</td>
<td>1,033</td>
<td>1,160</td>
</tr>
<tr>
<td>Assets held for sale</td>
<td>2</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>1,602</td>
<td>1,602</td>
<td>1,792</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EQUITY &amp; LIABILITIES (in €M)</th>
<th>31/12/2014</th>
<th>31/12/2014</th>
<th>30/06/2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Reported</td>
<td>Restated</td>
<td></td>
</tr>
<tr>
<td>Equity attributable to owners of the parent</td>
<td>260</td>
<td>262</td>
<td>220</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>19</td>
<td>19</td>
<td>41</td>
</tr>
<tr>
<td><strong>EQUITY</strong></td>
<td>279</td>
<td>281</td>
<td>261</td>
</tr>
<tr>
<td>Financial liabilities</td>
<td>213</td>
<td>213</td>
<td>314</td>
</tr>
<tr>
<td>Commitments on residual value</td>
<td>38</td>
<td>38</td>
<td>42</td>
</tr>
<tr>
<td>Other non-current liabilities</td>
<td>69</td>
<td>69</td>
<td>101</td>
</tr>
<tr>
<td><strong>NON-CURRENT LIABILITIES</strong></td>
<td>320</td>
<td>320</td>
<td>457</td>
</tr>
<tr>
<td>Trade payables</td>
<td>685</td>
<td>682</td>
<td>731</td>
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<tr>
<td>Other current liabilities</td>
<td>204</td>
<td>204</td>
<td>262</td>
</tr>
<tr>
<td>Financial liabilities</td>
<td>100</td>
<td>100</td>
<td>69</td>
</tr>
<tr>
<td>Commitments on residual value</td>
<td>13</td>
<td>13</td>
<td>12</td>
</tr>
<tr>
<td><strong>CURRENT LIABILITIES</strong></td>
<td>1,002</td>
<td>999</td>
<td>1,074</td>
</tr>
<tr>
<td>Assets held for sale</td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL EQUITY &amp; LIABILITIES</strong></td>
<td>1,602</td>
<td>1,601</td>
<td>1,792</td>
</tr>
</tbody>
</table>
Change in net book debt over the half year

Net book debt of €251 M in line with expectations

A half year of investments:
• > €79 M in our core businesses (M&A, EDFL, CAPEX)
• €22 M in treasury share buyback

Historically seasonal nature of WCR

*Impact on cash of exceptional costs
**Net of sales made for the exercise of options
Change in net book debt over the full year

Strong generation of cash flow

A period of investments:
• > €102 M in our activities (M&A, EDFL, CAPEX)
• €52 M in treasury shares
Net book debt structure on 30 June 2015

Successful issue of a €101 M bond loan (Euro PP):
- €45.5 M with 5-year maturity, 2.364 %
- €55.5 M with 7-year maturity, 2.804 %

Contributed to disintermediation of nearly 50% of resources

Net cash at bank: €81 M

Credit lines over €300 M, around €50 M of which were used up on 30 June

Debt from leasing financing activities (EDFL, self-funded, etc.): €120 M
03 Financial results

Change in ownership structure

Treasury shares increased to 3.73%

Three shareholders have over 5%, excluding the controlling shareholder:
- Butler Mgt
- AXA
- Kabouter (American investment management firm)
04
Outlook
Thanks to the satisfying results and a third quarter that is set to match expectations, Econocom can:

- **Confirm its 2015 guidance:**
  Another year of organic growth in revenue and a rise in recurring operating profit and net earnings per share.

- **Expect a sharp rise in restated net earnings per share**
Continuing the targeted investment strategy in key sectors and geographical areas

In July Digital Dimension acquired SynerTrade, the European leader in cloud-based eProcurement solutions (€13 million revenue in 2014).

The group is looking into other potential acquisitions in France and overseas (Italy, Spain, etc.) in order to deploy its digital offerings in Europe.
Objectives of the
Mutation 2013-2017 Plan confirmed:

€3 billion revenue

€150 M Recurring operating profit
Consolidated growth in revenue

Rise in pro forma revenue

- 2012: €1.54 Bn (Reported)
- 2013: €1.77 Bn (Reported)
- 2014: €2.1 Bn (Reported)
- 2015: €2.3 Bn (Reported)
- 2016: €2.6 Bn
- 2017: €3.0 Bn
Growth in recurring operating profit

Rise in pro forma recurring operating profit

<table>
<thead>
<tr>
<th>Year</th>
<th>Profit (€M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>€74</td>
</tr>
<tr>
<td>2013</td>
<td>€89</td>
</tr>
<tr>
<td>2014</td>
<td>€95</td>
</tr>
<tr>
<td>2015</td>
<td>€110</td>
</tr>
<tr>
<td>2016</td>
<td>€125</td>
</tr>
<tr>
<td>2017</td>
<td>€150</td>
</tr>
</tbody>
</table>
04 Outlook

Present in high growth potential markets

Technological expertise and financial innovation for a unique offering

Attractiveness increased by the group’s new size and image in the Services industry

Solid financial structure, a balanced risk profile and strong cash flow generation

A leading shareholder with a long-term vision

An attractive shareholder return policy
BE AWARE
OF THE OPPORTUNITY
REJOIGNEZ ECONOCOM ET DEVENZEZ L’ENTREPRENEUR DE VOTRE CARRIÈRE !

STAND UP
FOR THE DIGITAL REVOLUTION
REJOIGNEZ ECONOCOM ET DEVENZEZ L’ENTREPRENEUR DE VOTRE CARRIÈRE !

BE THE BOSS
OF YOUR CAREER
REJOIGNEZ ECONOCOM ET DEVENZEZ L’ENTREPRENEUR DE VOTRE CARRIÈRE !