

econocom

REGULATED INFORMATION
21 October 2014

Nine-month revenue stands at €1,414 million, up 20% in reported data and stable on a like-for-like basis

Cumulated revenue for nine months

(Consolidated, unaudited in € millions)

2013	1,175	
2014	1,414	+20%

Econocom, a European business-to-business digital service provider, reported revenue of €442 million for the third quarter of 2014 versus €383 million in Q3 2013, i.e. a 15% rise in reported data.

Cumulated revenue for the first nine months stands at €1,414 million, increasing by 20% in reported data compared with revenue a year ago (€1,175 million) and remaining stable on a like-for-like basis.

This growth is a result of both the integration of Osiatis Group, which Econocom acquired in September 2013, and the Group's positive business trend, particularly in the fast-growing connected objects market (the Internet of Things).

Strong performance for Products & Solutions and the Group's annual revenue growth guidance confirmed

- **Products & Solutions** reported revenue of €88 million in the third quarter, bringing its revenue for the nine months to €255 million, up 14% on a like-for-like basis.

This double-digit organic growth for nine months confirms the positive trend of the first half and Econocom's successful positioning in the digital world and the Internet of Things.

The business also benefited from internal synergies with Services, resulting chiefly from the integration of Osiatis.

- The **Services** business posted revenue of €155 million for the third quarter and €469 million for the nine-month period, an increase of 88% compared with the figures reported a year before and down 4.5% on a like-for-like basis. The business has completed the process of integrating Osiatis and is continuing its more selective policy for choosing deals. Digital Dimension, which was created jointly with Georges Croix in January, contributed to the business line's growth. **Digital Dimension** achieved revenue of €21 million for the first nine months of the year thanks to the targeted acquisitions carried out over the past six months, and confirms its ambition to become a major player in the high-growth cloud-hosted services market. It aims to achieve revenue of €120 million and double-digit profitability by 2016.

To speed up the spread of digital progress within organisations, Econocom has launched the "Digital for All, Now!" movement.

Join the movement: www.digitalforallnow.com

#digitalforallnow



• **Technology Management & Financing** reported third-quarter revenue of €198 million and €690 million for nine months, decreasing slightly (1.7%) compared with the same period last year. The contracts currently under negotiation mean the Group can expect higher fourth-quarter revenue than last year and overall growth for the business for the full year.

In addition, Econocom is continuing to expand in its key international growth areas, as is reflected by the good performances in Italy, the United Kingdom, the United States and Germany. Consolidated revenue, outside its two historic markets – i.e. France and Benelux – increased by 20% for the first nine months of the year.

Continuing the treasury share buyback policy: treasury shares account for 2.6% of the capital

As part of its treasury share buyback scheme, Econocom has regularly purchased shares over the past few weeks. As of 16 October the Group holds, excluding liquidity contracts, 3,053,303 shares, i.e. 2.6% of the share capital (compared with 0.16% as of 30 June 2014). At the next Board Meeting, the Board of Directors will be invited to convene a General Shareholders' Meeting for the purpose of cancelling these shares by the end of the year.

Annual revenue growth guidance confirmed and outlook for results adjusted

The business performance in the third quarter means Econocom can confirm its revenue growth trend for the year and its guidance of over €2 billion.

In terms of results, the Group's latest forecast for recurring operating profit was around the same as the €89 million published in 2013. However, the slight decline at the beginning of the year due to the integration of Osiatis Group will not be offset during the second half of 2014. The integration of Osiatis has now been finalised and the Group will receive the benefits from this in 2015.

The preliminary full-year revenue release will be published after the close of trading on 28 January 2015.

About Econocom

Econocom is a European digital service provider. In 2013, it posted consolidated revenue of €1.77 billion. The services provided by the group include consulting, sourcing, infrastructure and application services and technology management & financing of digital assets. On 22 November 2013, Econocom finalised the acquisition of the entire share capital of Osiatis, resulting in the creation of a major new digital services company with over 8,000 employees in 20 countries and cumulated revenue of around €2 billion. The Econocom Group share (BE0974266950 - ECONB) has been listed on the Euronext NYSE in Brussels since 1986 and is part of the BelMid index.

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