

econocom

ECONOCOM CONTINUES ITS STRONG ORGANIC GROWTH DYNAMIC IN THE FIRST QUARTER OF 2017 AND CONFIRMS ITS FULL-YEAR OUTLOOK. THE SUCCESSFUL CONVERSION OF ITS CONVERTIBLE BOND LOAN REINFORCES ITS INVESTMENT CAPACITY.

GOOD GROWTH DYNAMIC MAINTAINED IN Q1 2017

- A further rise in revenue to €608 million (+9.7%)
- 7.5% organic growth, driven by all the business lines
- Successful early conversion of the ORNANE convertible bond loan
- 2017 guidance confirmed

STRONG BUSINESS TREND IN 1ST QUARTER OF 2017

Econocom, a European company specialising in the digital transformation of organisations, reported revenue of €608 million in the first quarter of 2017, compared with €554 million in March 2016, i.e. a 9.7% rise in published data and an organic growth of 7.5%.

All the group's business lines posted organic growth, thus contributing to this strong dynamic:

- **Technology Management & Financing** reported revenue of €279 million, an entirely organic growth of 5.4%. The business line, which won some major contracts in the quarter, particularly in Italy, thus confirms its sustained business dynamic, bolstered by a fundamental market trend that is increasingly favouring use over ownership.
- **Services** posted revenue of €218 million for Q1, a 12.2% increase year-on-year, of which 5.9% organically, benefiting from the good performance of its historic businesses and the strong momentum of the satellites, which once again achieved double-digit organic growth for the quarter (21%).
- **Products & Solutions** reported revenue of €111 million, an entirely organic growth of 16.9%. The activity has consolidated its positioning in the promising B2B multimedia segment by successfully launching a specialist unit and also won some major multi-year public sector contracts.

SUCCESSFUL EARLY CONVERSION OF ORNANE BONDS

On 15 March 2017, Econocom triggered the clause for early redemption of its ORNANE bonds issued in January 2014 and maturing on 15 January 2019.

As expected, ORNANE holders overwhelmingly chose to convert their bonds into shares. The company has thereby created 10,050,928 new shares, which takes the number of issued shares to 122,570,215, up from 112,519,287 at 31 December 2016. The company now holds 4,184,082 treasury shares excluding liquidity contracts.

Since the start of 2017, ORNANE bond transactions¹ have boosted the group's equity by €183 million and reduced its net financial debt by €134 million compared with their respective amounts of €279 million and €185 million at 31 December 2016.

2017 ANNUAL GUIDANCE CONFIRMED

In light of this solid first-quarter performance and its growth prospects, Econocom confirms its 2017 guidance, i.e. another year of:

- sustained organic growth (over 5%);
- double-digit growth in recurring operating profit²

After the success of the Mutation 2013-2017 plan, Econocom will present its new strategic plan, "e for excellence," in September 2017.

Next press release: the 2017 half-year revenue release will be published after the close of trading on 27 July.

ABOUT ECONOCOM

Econocom designs, finances and oversees companies' digital transformation. With 10,000 employees in 19 countries and revenue in excess of €2.5 billion, Econocom has all the requisite abilities to ensure the successful implementation of large-scale digital projects: consulting, sourcing and technology management & financing of digital assets, infrastructure, application and business solution services, and project financing. Econocom has adopted European company status (*Societas Europaea*). The Econocom Group share has been listed on Euronext Brussels since 1986. It is part of the BEL Mid, Tech 40 and Family Business indices.

FOR FURTHER INFORMATION

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¹ conversions of ORNANE bonds and buying back ORNANE bonds backed by sales of treasury shares, as the case may be

² before amortisation of intangible assets from acquisitions.