Estimated results for the first half of 2020 in line with the group’s expectations

- Revenue at 1240 million euros (down 12.5%\textsuperscript{1})
- Recurring operating profit (ROP) forecast close to 43 million euros vs. 38.5 million euros\textsuperscript{1} in H1 2019
- Net Book Debt\textsuperscript{2} (NBD) down sharply to around 322 million euros vs. 405 million euros at June 30, 2019

A first half of 2020 which illustrates the strong resilience of the group in a very downgraded economic environment

At its last meeting, Econocom’s Board of Directors became aware of the estimated results for the first half of 2020 with revenue of around 1,240 million euros (down 12.5%\textsuperscript{1}), a ROP increase to reach 43 million euros and a sharp decrease in the NBD\textsuperscript{2} to approximatively 322 million euros. These financial indicators are in line with the landing outlook outlined in the June 30, 2020 press release.

With a confirmed improvement in its operating profitability and a significant decrease in its Net Book Debt, Econocom demonstrates the strong resilience of its business model and its ability to adapt in a highly hectic economic environment.

The decrease in sales, linked to the effects of the health crisis from March 2020, did not deteriorate significantly during the second quarter. At the same time, the Group accelerated its cost-cutting plan, which began in early 2019, allowing it to offset the negative effects of the business decline and reduce its structural expenses. As a result, ROC is up from the first half of the previous year. In addition, the half-yearly net result is expected to be largely profitable.

On the balance sheet, the Group continued its proactive strategy of cutting its structural debt, which allowed it to reduce its net financial debt by more than 80 million euros compared to the situation on 30 June of last year. Finally, the various asset disposals completed in recent quarters led to a significant decrease in goodwill compared to the close of 30 June 2019.

Next publication

The Group will present its final and complete half-year accounts on July 29, 2020 after close of trade. The strategy update and guidance of ROC for 2020 and 2021 will be further developed at the information meeting on September 10, 2020.

\textsuperscript{1}At constant standards and perimeter
\textsuperscript{2}Before taking into account debt brought about by application of IFRS 16 to lease contracts (real estate, vehicles, etc.) in which Econocom is the lessee