

## Revenue at end-September 2020: €1,825m (-12.5%<sup>1</sup>)

### Confirmation of Recurring Operating Profit<sup>2</sup> objective for 2020

### Acceleration of the group's debt reduction

### Strategic Plan to be presented following H1 2021 results

#### Business affected by a returning health crisis

In the first nine months of 2020, Econocom made €1,825m in consolidated revenue, down 12.5%<sup>1</sup> on the same period in 2019, extending the trend observed in H1 2020.

Indeed, contrary to what was hoped for at the beginning of September and given the returning Covid health crisis and its economic impact, current situation is not helping revenue improvement.

Over the period, the following developments took place:

- At €639m, revenue from Technology Management & Financing (TMF) was down<sup>1</sup> 17.5%, mainly due to time lags in getting projects under way.
- Revenue from Digital Services and Solutions (DSS) reduced its decline in Q3 2020, standing at €1,186m for the first nine months of 2020, representing a 9.5% decrease<sup>1</sup>.

Based on end-September 2020 revenue and measures announced by Europe's governments to counter the worsening Covid-19 pandemic, and unless there is an economic upswing in Q4, Econocom expects a trend in annual revenue largely similar to that observed end-September.

#### Continued improvement in operating profitability

On the other hand and despite this unprecedented health crisis and poor economic situation, Econocom can confirm that its Recurring Operating Profit (ROP) is improving and maintains its objective for end-2020 i.e. ROP at least equal to that of 2019. It will be achieved through initiatives in cost-cutting and better business selectivity. These initiatives continued in Q3 2020 and will continue in Q4.

#### Acceleration of debt reduction

Moreover, the group has pursued its efforts to reduce its debt. The group's debt is down by around €200m to date compared to the same period in 2019, thus confirming the objective of soon reaching a zero Net Book Debt<sup>3</sup>.

Following the press release on 27 July, Econocom also announced the finalization of the sale of its subsidiary digital.security, specialising in digital risk management, to Atos.

Econocom likewise confirmed that it has acquired the company Les Abeilles from the group Bourbon, as announced in a press release on 4 September. Les Abeilles is a French specialist in towing and rescuing in high seas.

#### Next publication: annual revenue 2020

In November, Econocom will make its 2021 financial information publication schedule available to the financial community on its website. Given the uncertain economic situation, Econocom is postponing by six months the presentation of its strategic plan, initially scheduled for February 2021.

<sup>1</sup> Based on unchanging norms and scope

<sup>2</sup> Before amortisation of intangible assets from acquisitions

<sup>3</sup> 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.

#### ABOUT ECONOCOM

As a digital general contractor, Econocom conceives, finances and facilitates the digital transformation of large firms and public organisations. With 40 years' experience, it is the only market player offering versatile expertise through a combination of project financing, equipment distribution and digital services. The group operates in 18 countries, with over 10,000 employees, and made €2,927m in revenue in 2019. Econocom is listed on Euronext in Brussels, on the BEL Mid and Family Business indices.

#### FOR FURTHER INFORMATION

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