

econocom

EARLY REDEMPTION OF ORNANE BONDS SUCCESSFULLY COMPLETED: EQUITY UP AND FINANCIAL DEBT DOWN AHEAD OF THE ANNOUNCEMENT OF THE 'E FOR EXCELLENCE' STRATEGIC PLAN

On 15 March 2017, Econocom Group triggered the clause for early redemption of its ORNANE bonds (bonds redeemable in cash or shares, issued in January 2014 and maturing on 15 January 2019). Investors could exercise their conversion right up to 4 April 2017 at 5 pm.

As expected, ORNANE holders overwhelmingly chose to convert their bonds into shares:

- On 15 March 2017, 7,671,594 ORNANE bonds were still outstanding, i.e. 46.5% of the tranche issued in January 2014
- Almost all these ORNANE bonds (7,652,734, or 99.8%) were included in the conversion, paid entirely in new shares at one share per ORNANE bond.
- The 18,860 ORNANE bonds still outstanding will be redeemed early into cash on 19 March 2017 at the accreted principal amount plus accrued interest, i.e. €11,022 per ORNANE bond.

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 (compared with 5,364,264 at 31 December 2016).

Since the start of 2017, ORNANE bond transactions* 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.

Issuing ORNANE bonds in January 2014 has helped finance the group's profitable growth strategy implemented as part of its 'Mutation 2017' plan that combines robust organic growth with selective acquisitions. Since the ORNANE bond issue, the group's revenue has grown by 43% to over €2.5 billion and its recurring operating profit** by 58% (rising from €88.8 million published in 2013 to €140.3 million in 2016). Over the same period and after the early redemption of the ORNANE bonds, the group's net financial debt grew by only €12 million and the number of its outstanding shares by 12%.

Jean-Louis Bouchard, Chairman and Chief Executive Officer of Econocom, said: 'I would like to thank the investors – both bondholders and shareholders – who placed their trust in us. Issuing ORNANE bonds in 2014 has helped finance a key phase in the group's development. Over this period of strong growth, I have sought to maintain the group's financial strength and limit dilution of the shareholders who support us. Converting ORNANE bonds nearly two years before maturity has strengthened our balance sheet and renewed our debt-raising capacity before the launch of the 'E for Excellence' strategic plan.'

2017 first-quarter revenue will be posted on 20 April 2017, after the close of trading.

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

** before amortisation of intangible assets from acquisitions.

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.

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