

REGULATED INFORMATION

7 March 2012

## RECORD OPERATIONAL PERFORMANCE AND NET DEBT REDUCED TO ZERO

The Econocom Group Board of Directors, who met on 7 March, 2012 with Mr. Jean-Louis Bouchard acting as chairman, finalised the 2011 financial statements.

### Revenue

(in € millions)

2009	759
2010	1,021
2011	1,584

### Recurring operating profit

(in € millions)

2009	28.7
2010*	47.5
2011*	66.6

\* before amortisation of the ECS customer portfolio

### Net profit, Group share

(in €)

2009	0.30
2010	0.35
2011*	0.40

\* submitted at the AGM on 15 May, 2012

CONSOLIDATED RESULTS (in € millions)	2010	2011
Revenue	1,021.4	1,584.3
<b>Recurring operating profit*</b>	<b>47.5</b>	<b>66.6</b>
Recurring operating profit	47.0	64.6
Operating profit	40.3	46.0
Financial result	0.8	(11.9)
Profit before tax	41.1	34.1
Tax	(12.3)	(12.8)
Minority interest	-	0.2
Net profit, Group share	28.8	21.5

\* Recurring operating profit before amortisation of the ECS customer portfolio (€2 M/year)

EARNINGS PER SHARE (in €)	2010	2011
Net profit per share	€1.23	€0.86
Diluted earnings per share	€1.22	€0.84
<b>Restated net profit per share*</b>	<b>€1.27</b>	<b>€1.66</b>
Dividend per share	€0.35	€0.40

\* Restated with non-recurring items, net of tax impact.

Econocom, the European leader in business-to-business IT and telecoms infrastructure management, reported a successful year, notable for:

- The successful operational integration of ECS Group.
- Lively sales activity that exceeded expectations, resulting in another year of organic growth.
- Continued investment in growth areas (the medical sector and multimedia solutions) and the launch of innovative new offerings (Everpad for tablets, Neverstop for data centres, MyBaas for cloud computing, etc).
- Recurring operating profit that exceeded guidance, boosted by synergies with ECS.
- Considerable generation of cash flow which enabled the group to pay off the bank loan earlier than expected and increased the dividend.

## RECORD OPERATIONAL PERFORMANCE

Consolidated revenue stood at **€1.58 billion**, compared with €1.02 billion in 2010, thereby significantly exceeding the guidance of €1.4 billion set at the beginning of the year. On a like-for-like basis (the 2010 figures take into account 3 months of ECS' activity compared with 12 months in 2011), **growth was up 5%**.

Thanks to the synergies resulting from the acquisition of ECS and operating costs well under control, **recurring operating profit\* stood at €66.6 million**, compared with €47.5 million the previous year. On a like-for-like basis, **recurring operating profit\* rose by around 35%**.

Profit before tax amounted to €34.1 million. This includes 24.7 million of non-recurring costs (14.9 million of which were non-recurring operating costs incurred primarily by the integration of ECS, 3.7 million of goodwill amortisation, and 6.1 million of financial costs arising from the early repayment of the bank loan). **Net profit, group share, stood at €21.5 million.**

**Net profit per share**, excluding non-recurring elements, stood at **€1.66**, up **31%** since last year.

## DEBT PAID OFF IN FULL JUST 15 MONTHS AFTER THE ACQUISITION OF ECS

Gross cash flow stood at €145 million at 31 December, 2011. The combined effect of excellent cash flow generated by business and a considerable reduction in working capital requirements during the year **meant the group had zero net financial debt** on 31 December, 2011.

Consolidated shareholders' equity amounted to €136 million at the end of 2011. Moreover, the group holds €1,580,932 in treasury stock, 6% of its share capital, not recognised in the financial statements.

\* Recurring operating profit before amortisation of the ECS customer portfolio (€2 M/year)

## ANOTHER YEAR OF DOUBLE-DIGIT DIVIDEND GROWTH

Based on the satisfactory performance in 2011 and its strong financial position, the Econocom Board of Directors will invite shareholders to vote, at the Annual General Meeting on 15 May 2012, for the payment of a **gross dividend of €0.40 per share, up 14%** on 2010.

## CONTINUING THE PROFITABLE COMBINED GROWTH STRATEGY

**A year ahead of schedule**, Econocom has **already exceeded the two main targets** fixed as part of the Horizon 2012 plan (€1 billion revenue and €60 million recurring operating profit).

Thanks to its ongoing investment in creating new offerings to address clients' needs (enterprise solutions, the medical sector, etc.), Econocom is now in an ideal position to continue its profitable combined growth strategy.

The major challenges in the technology infrastructure market (smart objects, cloud computing, security and mobile solutions) are central to the group's development strategy and will form the basis of the next multiyear development plan, due to be announced at the end of 2012.

The group has the financial resources to consolidate its market position and acquire the requisite expertise to build on its existing skill-set in order to meet future challenges.

## 2012: ANOTHER YEAR OF RISING RESULTS

In 2012, Econocom Group's Management predicts another year of value creation and aims for a slight rise in revenue, recurring operating profit of over €70 million, and net profit per share around the €2 mark.

***The first-quarter revenue will be published after the close of trading on Tuesday 17 April, 2012.***

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*The Auditors, PricewaterhouseCoopers Reviseurs d'Entreprises, has confirmed that its audit work, which is substantially completed, has not revealed any material adjustment that should affect the accounting information included in this press release.*

**About Econocom:** Established in 17 countries with 3,700 employees and revenue of over €1.58 billion in 2011, Econocom is Europe's leading independent provider of business-to-business IT and telecoms infrastructure management services. Its services include consultancy, distribution, financing and a complete range of IT outsourcing services.

The Econocom Group share (BE0003563716 - ECONB) has been listed on the Euronext NYSE in Brussels since 1986 and is part of the BelMid index. For further information: [www.econocom.com](http://www.econocom.com) Follow us on Twitter: [Twitter.com/econocom](https://twitter.com/econocom)

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