

Very good performance in 2015 confirms the success of the merger with services company Osiatis and the effectiveness of the new development model

Revenue (in € millions)

2014	2,093	
2015	2,316	+11 %

Recurring operating profit¹ (in € millions)

2014	95.3	
2015	117.7	+23 %

Net earnings per share² (in €)

2014	0.27	
2015	0.62	+130 %

2015 full-year results

- Strong growth in revenue: up 11% to €2,316 million
- Organic growth accelerates, standing at 8%, supported by all the Group's businesses
- Sharp increase in recurring operating profit¹, up 23% to €117.7 million
- Net earnings per share² doubled to €0.62
- Healthy financial position with a strong generation of cash flow (cash flow from operating activities in excess of €100 million) and net debt well under control, at less than 1.5 x EBITDA

Outlook for 2016

Continuing the investment dynamic in order to take full advantage of the increasingly fast-paced digital transformation of organisations and establish the new Econocom at the heart of the digital market.

Good growth prospects

- Organic growth above the market rate for digital services companies
- Double-digit rise in recurring operating profit
- A further increase in net earnings per share²

The Board of Directors of Econocom Group, a European company specialising in the digital transformation of organisations, met today with Jean-Louis Bouchard acting as chairman, to finalise the 2015 full-year results.

Full-year revenue up 11%, with 8% organic growth

The Group confirms the validity of its new economic model resulting from the successful merger with Osiatis and its strategy based on a balanced mix of organic growth and acquisitions.

Econocom posted consolidated revenue of €2,316 million compared with €2,093 million in 2014, i.e. an 11% rise, 8% of which is organic.

This organic growth was driven by:

- Ever-faster technological changes, benefitting the **Group's three business lines, all of which reported growth in excess of 10%**;
- **A strong shift in the market towards use**, which Econocom addresses with its Technology Management & Financing solutions;
- The complementary nature of its business lines, which has generated major synergies and enabled the Group to achieve its aim of establishing itself as **an integrator of solutions with financing**;
- A pan-European, international dimension with presence in **five geographical areas, all of which post strong growth**.

Business was also positively affected by the selective acquisition strategy deployed over the past two years in dynamic sectors and strategic areas of expertise such as security, web and mobile apps, digital solutions and digital transformation consulting. **The companies acquired in the last two years – called satellites – contributed to 2015 consolidated revenue to the tune of €108 million.**

Recurring operating profit up 23%

Recurring operating profit¹ rose 23% to €117.7 million.

This strong increase reflects the improved operational profitability across all business lines. **Technology Management & Financing reported recurring operating profit of €70.1 million, up 17%**, i.e. a 6.1% margin; **Services considerably improved its recurring operating profit, climbing 38% to €35.5 million**, i.e. a 4.9% margin, and **Products & Solutions achieved recurring operating profit of €12.1 million, up 16%**, i.e. a 2.8% margin.

In 2015 Econocom benefitted from a healthy business trend, synergies resulting from the successful integration of Osiatis, productivity plans implemented across all the business lines and the success of cross-business line offerings with greater added value.

Net earnings per share doubled

Profit for the period excluding non-controlling interests² stood at €66.8 million, rising 127%.

Net earnings per share² amounted to **€0.62**, more than doubling in a year (€0.27 in 2014).

This performance reflects the Group's good operational results and was supported by exceptional expenses limited to €5.2 million, optimised financial expenses and an effective corporate tax rate³ of 27%.

³ Excluding taxes recognised under "Income tax" (CCVAE and IRAP).

A rise in shareholder compensation

At the next General Shareholders Meeting the Board of Directors will recommend that the shareholders receive a refund of the issue premium of €0.175 per share, i.e. a 17% increase in gross shareholder compensation compared with 2014 and a 46% rise over two years.

Econocom thus confirms its adherence to its shareholder return policy and its confidence in its growth prospects.

In addition, the Group continued its treasury share buyback programme. As of 31 December 2015, it held 5,791,437 treasury shares, i.e. 5.15% of its share capital. These shares will be used to cover the Group's commitments as part of stock option plans and convertible bonds (ORNANE).

Solid financial structure and strong generation of cash flow

In 2015 the Group generated **cash flow from operating activities of €100.4 million** and boasts a healthy financial position with **net cash at bank amounting to €143 million** and **net book financial debt well under control, standing at €186 million, i.e. less than 1.5 times the Group's EBITDA in 2015.**

Financial debt backed by rental streams accounts for two-thirds of the Group's net financial debt.

The Group's financial structure, combined with its strong cash generation, will undoubtedly support its ambitious growth strategy.

Outlook for 2016

The Group intends to continue its assertive investment policy, focusing on new business offerings and solutions, sales and pre-sales teams, customer knowledge, collaborative and digital tools, brand awareness and image, and employee training, motivation and well-being, in order to continue building the new Econocom in line with its Mutation strategic plan.

Meanwhile Econocom will continue to invest in new satellites in high-growth sectors such as digital transformation consulting, web and mobile apps, e-health and e-education, and multimedia, to boost the Group's innovation and creativity, maintain its agility, step up growth and improve profitability.

Econocom Group's Management expects **another year of organic growth in revenue above the market rate for digital services companies**, supported by the dynamism of the digital transformation market for companies and the public sector, the substantial investments in the Group's sales forces over the past two years, and lastly, the synergies between its core businesses and the satellite companies acquired over the past two years.

Management also expects a **double-digit rise in recurring operating profit and another increase in net earnings per share²**. 2016 will benefit from the full effect of the synergies resulting from the acquisition of Osiatis and the productivity programmes implemented during the past two years.

Under these circumstances, the Group can confirm its strategic targets for 2017: **€3 billion revenue and €150 million in recurring operating profit.**

The statutory auditor has confirmed that the audit, which is substantially complete, has not to date revealed any material misstatement, which would require an adjustment to the figures included in the press release.

Income statements (in € millions)	2015	2014 restated ⁴
Revenue	2,316.1	2,092.6
Recurring operating profit¹	117.7	95.9
Recurring operating profit	113.5	92.9
Other income and expenses	(5.2)	(24.9)
Operating profit	108.3	68.0
Other financial expenses and income	(12.4)	(15.7)
Change in fair value of ORNANE	(6.3)	3.8
Profit before tax	89.6	56.1
Income tax	(30.7)	(21.2)
Profit from discontinued operations	(0.1)	(3.0)
Share of profit / (loss) of associates and joint ventures	(0.1)	0.0
Profit for the period excluding non-controlling interests	57.8	31.2
Profit for the period attributable to non-controlling interests	0.9	0.7
Profit for the period attributable to owners of the parent, restated²	66.8	29.4
Earnings per share	€0.53	€0.28
Diluted earnings per share	€0.52	€0.24
Restated earnings per share²	€0.62	€0.27

¹ Before amortisation of the ECS customer portfolio and the Osiatis brand.

² Before amortisation of the ECS customer portfolio and the Osiatis brand and before the change in fair value of the ORNANE embedded derivative component, net of income tax.

⁴ Restated with the new IFRS rule (IFRIC 21) - impact of + €0.6 million on 2014 recurring operating profit.

Next press release: the 2016 first-quarter revenue release will be published after the close of trading on 20 April.

About Econocom

Econocom designs, finances and oversees companies' digital transformation. With over 9,000 employees in 19 countries and revenue in excess of €2.3 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.

The Econocom Group share (BE0974266950 - ECONB) has been listed on the Euronext NYSE in Brussels since 1986 and is part of the BelMid and Tech 40 indices.

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