

# Q1 2017 revenue

Analyst presentation

May 16<sup>th</sup>, 2017



# Disclaimer

This presentation contains forward-looking statements that involve risks and uncertainties concerning the Group's expected growth and/or profitability in the future. Actual events or results may differ from those described in this document.

Consequently the company cannot guarantee the accuracy and the completeness of said forward-looking statements due to a number of uncertainties, many of which the company is not aware of.

For additional information concerning any important factor that may cause the company's actual results to materially differ from expectations and underlying assumptions, please refer to the reports filed by the company with the "Autorité des Marchés Financiers » (AMF).

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**Key figures & facts**

# Key figures & facts Q1 2017



## Growth Q1 2017

- €149.9m revenue
- +14.5% like-for-like growth excluding Between



## Acquisition of TMNS

- IT integration service provider, focusing primarily on middleware and API management
- Circa 200 employees
- Consolidated as of June 1<sup>st</sup> 2017



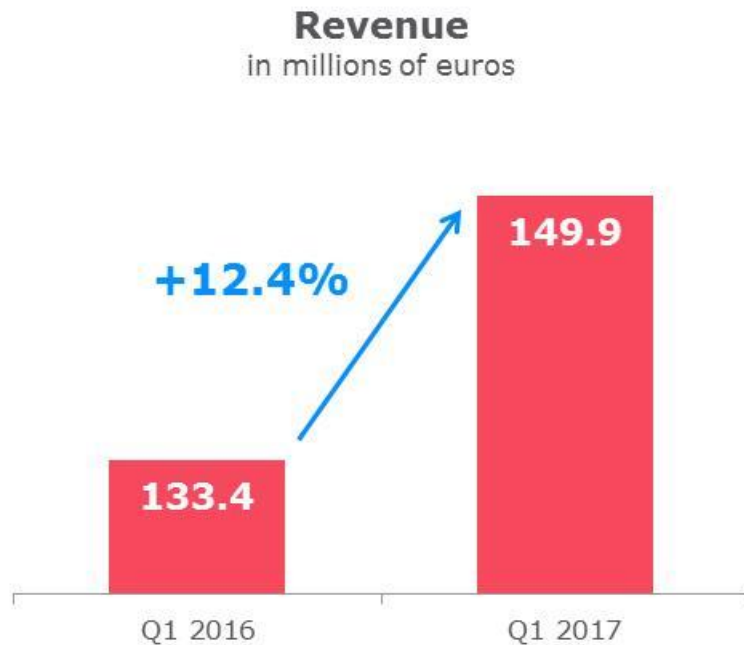
## Guidance update

- Revenue close to €600m, growing 8% organically excluding Between
- Operating margin close to 9%
- Restructuring costs around 0.5% of the revenue

**2**

**Q1 2017 revenue**

## Q1 2017 revenue



**+12.4% yoy growth of revenue**

- FX impact: -0.1%
- M&A impact: -0.4%

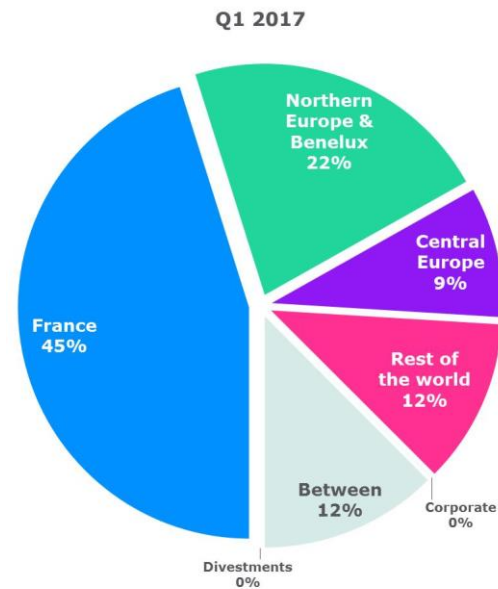
**+12.9% like-for-like variation**

- Between impact: +1.6%

**+14.5% like-for-like excl. Between**

## Revenue analysis by Region

In millions of euros	Q1 2017	Q1 2016
<b>France</b>	<b>67.7</b>	<b>56.2</b>
Variation	20.5%	
L-f-l variation	20.5%	
<b>Northern Europe &amp; Benelux</b>	<b>32.6</b>	<b>28.4</b>
Variation	14.5%	
L-f-l variation	10.7%	
<b>Central Europe</b>	<b>13.7</b>	<b>11.5</b>
Variation	18.8%	
L-f-l variation	11.0%	
<b>Rest of the world</b>	<b>17.3</b>	<b>16.4</b>
Variation	5.2%	
L-f-l variation	5.4%	
<b>Corporate</b>	<b>(0.1)</b>	<b>(0.1)</b>
<b>Between</b>	<b>18.7</b>	<b>18.2</b>
Variation	2.5%	
L-f-l variation	2.5%	
<b>Divestments</b>	<b>-</b>	<b>2.6</b>
<b>Total</b>	<b>149.9</b>	<b>133.4</b>
Variation	12.4%	
L-f-l variation	12.9%	
L-f-l variation excluding Between	14.5%	



Of which contribution of the acquisitions:

In millions of euros	Q1 2017	Q1 2016
<b>Northern Europe &amp; Benelux</b>	<b>1.1</b>	<b>-</b>
HNCO, consolidated as of July 1 <sup>st</sup> 2016 (estimate)	0.6	-
Globicon, consolidated as of July 1 <sup>st</sup> 2016 (estimate)	0.5	-
<b>Central Europe</b>	<b>0.9</b>	<b>-</b>
Q-Partners Consulting, consolidated as of July 1 <sup>st</sup> 2016	0.9	-

# Evolution of our positioning Q1 2017

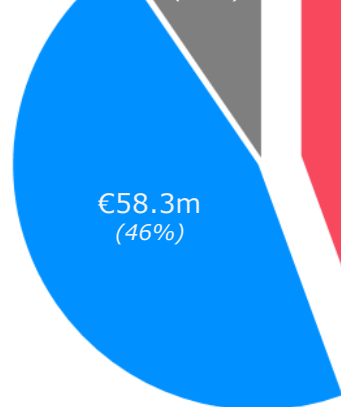
## Offers

(organic scope excluding Between & Be Team)

### Legacy & Commoditized

-39.4% YoY growth

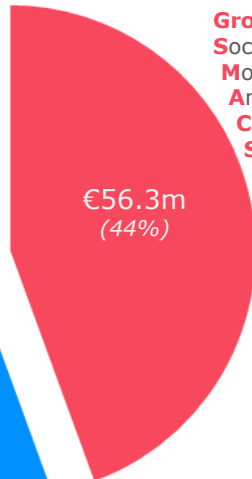
€12.1m  
(10%)



**Growing**  
Social  
Mobility  
Analytics  
Cloud  
Security

€56.3m  
(44%)

+43,2%  
YoY growth



**Good Mature**

+13.2% YoY growth

## Clients & verticals

(organic scope excluding Between)

### Top 3

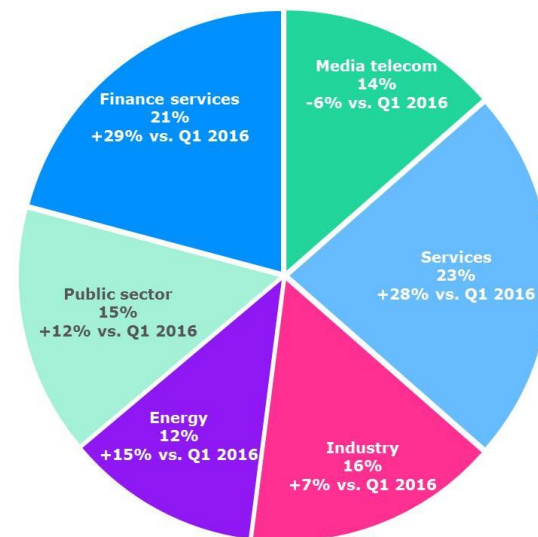
13% of the revenue

- ENGIE
- SNCF
- BNP Paribas

### Next 7

20% of the revenue

- Major electricity provider
- Deutsche Telekom
- Sanofi
- CA/CL
- Société Générale
- Carrefour
- Santander





# Resources analysis

## Headcount and billable ratio<sup>(1)</sup>



## Utilization rate of internal resources<sup>(2)</sup> excl. divested entities

Q1 2016	Q2 2016	Q3 2016	Q4 2016	2016	Q1 2017
82.9%	85.1%	85.5%	84.1%	84.4%	82.9%

<sup>(1)</sup>Billable ratio = productive headcount / total headcount

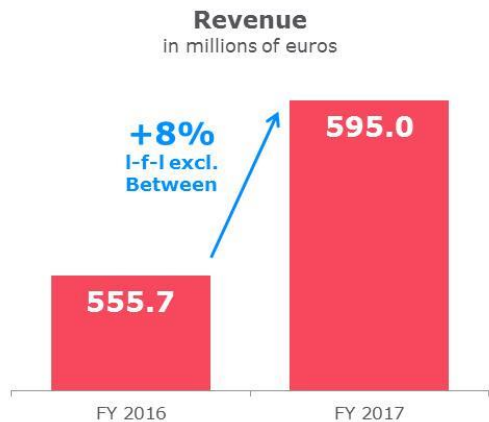
<sup>(2)</sup>Number of working days of billable employees that were billed to a client compared to the total number of available days excluding holidays

**3**

**Prospects**

## 2017 guidance

Hypothesis: stable economic environment and exchange rates



- **+8% like-for-like excl. Between** (+7% previously)
- Between impact -3 pt
- Non significant FX impact
- M&A impact: +2 pt (neutral impact previously)
  - TMNS: circa €10m 7 months 2017



### Close to +50 bp

- Unfavourable working days: 1.7 days less vs. 2016 (2.8 days less in Q2)
- Slight positive scissor effect

Dilutive effect of Between reduced to 90 bp (vs. 100 bp in FY 2016)

Restructuring cost around 0.5% of the revenue

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**Appendix**

# We deliver **Innovative Technology Consulting** for Business



## **Program & change management**

600 professionals



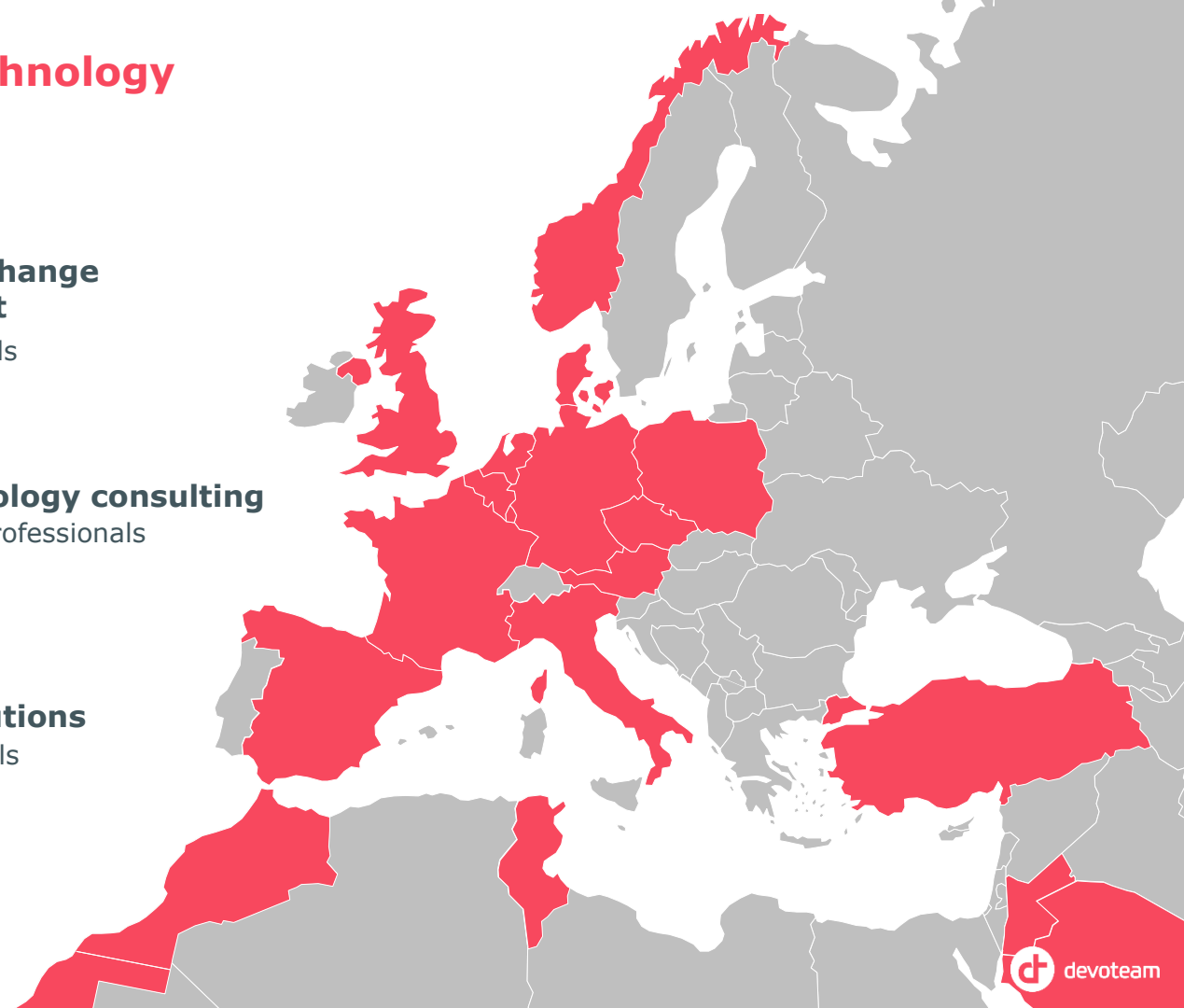
## **Technology consulting**

3,200 professionals

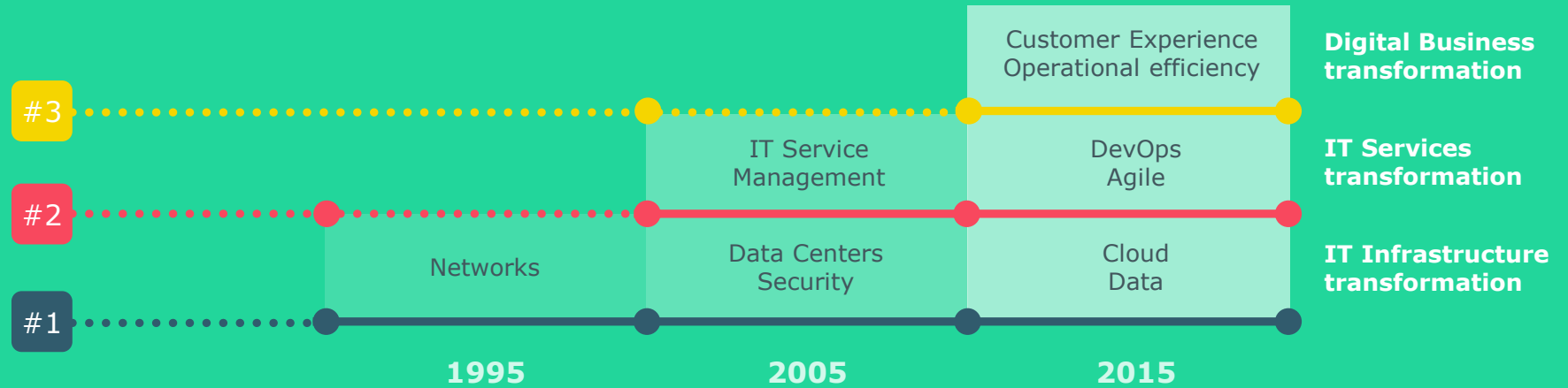


## **Integration of cloud solutions**

300 professionals



# Over the past 20 years we have chosen to be focused on **3 consecutive disruptive revolutions**



This has build our DNA as **Digital Transformakers**  
To help our customers win their digital battle



# Digital Battle



**Customers** buy differently

**People** work like they live

**New services** appear everyday

## Agile IT Platform

Transform core IT into an Agile and Service oriented digital platform

## Digital Workplace

Create a work environment that makes employees more effective, and organisations more agile

## Cyber security

Answer business need for speed and agility through programs that optimize security levels, but also trust

## Business Process Excellence

Leverage the potential of digital to improve operational excellence, and create processes that can change the business

## Data as a Service

Boost decision-making by leveraging data and providing businesses with fast, smart and high quality data services

## Digital Experience

Design digital services & experiences that engage consumers & employees, improving the business & operational performance

# Shareholding structure

	30/01/2017		
	Nb of shares	% of capital	% of voting rights
Executive Board <sup>1</sup>	2 152 022	25,8%	34,2%
Tabag <sup>2</sup>	505 004	6,1%	10,3%
Lazard Frères Gestion	579 312	7,0%	5,9%
Amiral Gestion	521 609	6,3%	5,3%
Nominative shares <sup>3</sup>	315 112	3,8%	5,7%
Owned shares	454 759	5,5%	0,0%
Public	3 804 589	45,7%	38,7%
Total	8 332 407	100%	100%

(1) together part of a shareholders' agreement

(2) owned by Yves de Talhouët, linked with the board of Directors by a tax treaty

(3) founders of subsidiaries, employees and former employees



## FY 2016 revenue and operating margin

Based on 2017 new reporting structure

In millions of euros	2016
<b>France</b>	
Group contribution	232.3
Operating margin	30.3
In % of Group contribution	13.0%
<b>Northern Europe &amp; Benelux</b>	
Group contribution	116.5
Operating margin	8.9
In % of Group contribution	7.6%
<b>Central Europe</b>	
Group contribution	49.0
Operating margin	3.9
In % of Group contribution	8.1%
<b>Rest of the world</b>	
Group contribution	76.5
Operating margin	5.9
In % of Group contribution	7.6%

In millions of euros	2016
<b>Corporate</b>	
Group contribution	0.8
Operating margin	(3.6)
<b>Between</b>	
Group contribution	76.3
Operating margin	1.7
In % of Group contribution	2.3%
<b>Divestments</b>	
Group contribution	4.2
Operating margin	(0.1)
In % of Group contribution	-2.0%
<b>Total</b>	
Group contribution	555.7
Operating margin	47.0
In % of Group contribution	8.5%

# Glossary

**France:** French operations

**Northern Europe & Benelux:** Belgium, Denmark, United-Kingdom, Luxembourg, Netherlands excluding Between, and Norway excluding divested activities

**Central Europe:** Austria, Czech Republic, Germany and Poland

**Rest of the world:** Middle East, Algeria, Spain, Italy, Morocco, Mexico, Panama, Tunisia and Turkey

**Corporate:** headquarter activities which cannot be allocated directly to the operational regions. It also includes some non significant remaining activities of the discontinued businesses in France (mainly outsourcing)

**Between:** "Between", a subsidiary operating in the Netherlands on the market of sourcing of IT professionals, has a very volatile contribution to revenue since, depending on the terms and conditions of the contracts signed, the revenue consolidated at Group level may be based on the contract's gross margin or on the full amount invoiced to the final customer. As a consequence, the Group decided to isolate this subsidiary in one specific segment (outside of Northern Europe & Benelux) and also when calculating the growth rate of the consolidated revenues

**Divestments or divested entities:** in 2016, Divestments include Grimstad activities in Norway, deconsolidated on May 1st 2016, and Devoteam Genesis, deconsolidated on July 1st 2016

**Revenue and group contribution:** the revenue of a region is the contributive revenue and is defined as the total revenue (internal and external) of the region minus the costs of internal subcontracting. It reflects the contribution of the region to the revenue of the Group produced with own resources. The sum of the contributions of the regions corresponds to the consolidated revenue of the Group

**Operating margin:** current operating result before amortization of intangible assets related to acquisitions and excluding the impact of the share-based payment

**Like-for-like or I-f-I variation:** variation at comparable perimeter and exchange rates

**Utilization rate of internal resources:** number of working days of billable employees that were billed to a client compared to the total number of available days excluding holidays

**Free cash flow:** net cash from operating activities minus acquisition of fixed assets

# Contacts

## Executive Board

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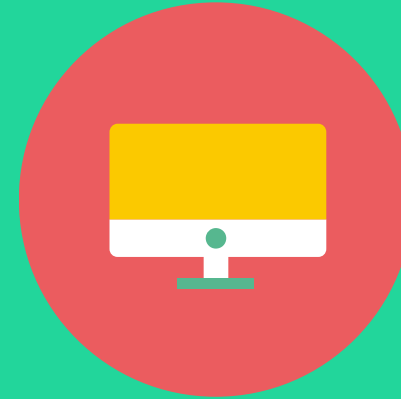
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