



econocom

2013
HALF-YEAR RESULTS
Financial meeting
Monday 2 September 2013

2013 Half-year results

THE SPEAKERS BRUSSELS



Jean-Philippe Roesch

Managing Director
Chief Executive Officer



Chantal De Vrieze

Country Manager Benelux



Christophe Vanmalleghem

Group Services Managing Director

01

A EUROPEAN PROVIDER OF B2B DIGITAL SERVICES

Finance



Technology

02

Technology management & financing - Distribution – IT & Telecom Services

A combination of
technological and financial innovation

INTERNATIONAL PRESENCE IN 18 COUNTRIES



3,700
employees



4.6 million
technology assets managed



€1.54 billion
revenue in 2012

AGENDA



.....

ECONOCOM TODAY: A GOOD DYNAMIC

2013 half-year results and financial position at end of June



.....

A COMPANY WITH AMBITIONS IN THE DIGITAL WORLD

Presentation of the Mutation 2013 – 2017 strategic plan



.....

THE BIRTH OF A MAJOR NEW SERVICE PROVIDER

Project for an alliance with OSIATIS



**ECONOCOM TODAY:
A GOOD DYNAMIC**
2013 half-year results and financial
position at end of June

INCREASE IN REVENUE

IFRS
in € millions 

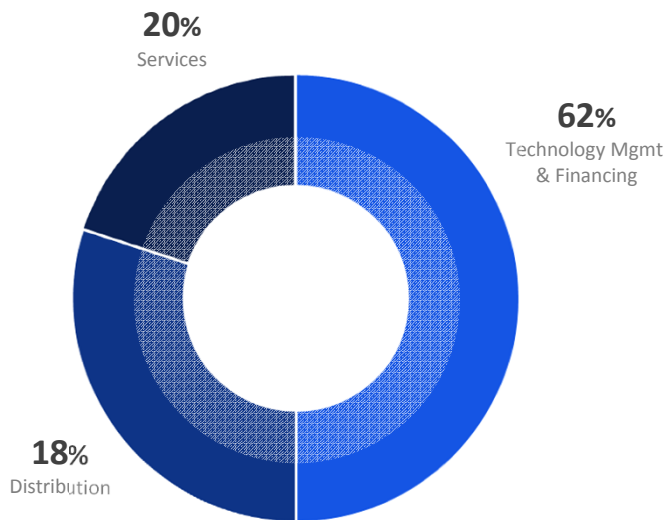


CONSOLIDATED GROWTH
+7.5%
.....
ORGANIC GROWTH
+3%

A growth dynamic
resulting from our positioning
and strategic
investments

SALES PERFORMANCE BY BUSINESS AREA

IFRS



TECHNOLOGY
MANAGEMENT & FINANCING

+1.4%

DISTRIBUTION

+17.7% (including 8% organic growth)

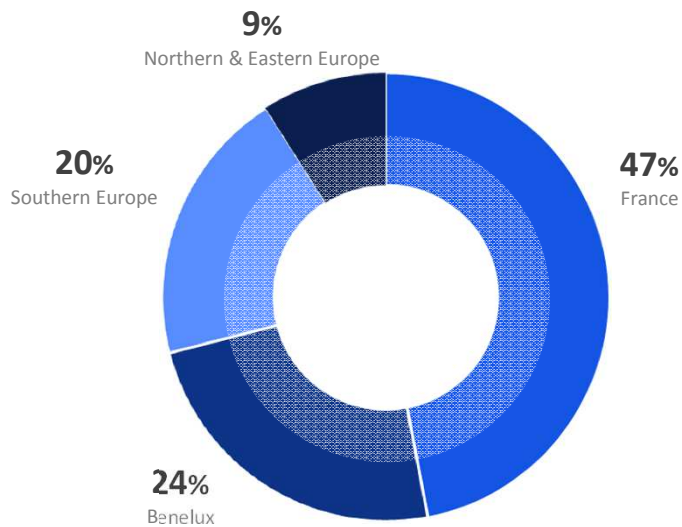
SERVICES

+20.3% (including 3% organic growth)

**All business lines
have grown
organically**

SALES PERFORMANCE BY GEOGRAPHICAL AREA

IFRS
in € millions



FRANCE
€375 M

BENELUX
€188 M

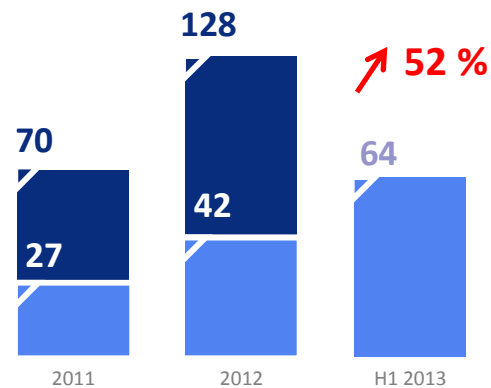
SOUTHERN EUROPE
€159 M

NORTHERN & EASTERN EUROPE
€70 M

All geographical areas, except Northern & Eastern Europe, contributed to growth

PROVEN SUCCESS OF ENTERPRISE SOLUTIONS

REVENUE IN € M



CROSS-DISCIPLINARY SOLUTIONS

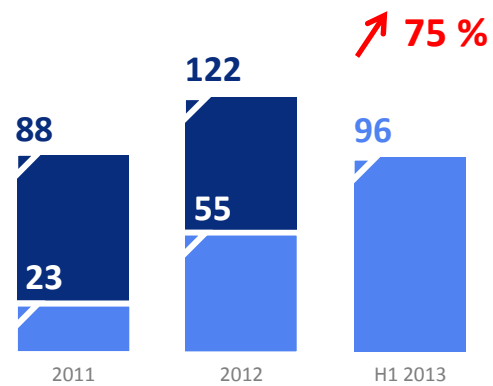


An approach that sets us apart from the competition

A reflection of the growing synergies between business lines

A GROWING CONTRIBUTION FROM SMART OBJECTS

REVENUE IN €M



Continuing diversification of the offering into high-potential markets

6 TARGETED EXTERNAL GROWTH TRANSACTIONS IN 18 MONTHS

centix
VIRTUALIZATION SOLUTIONS
.....
VIRTUALISATION
BELGIUM

CAP SYNERGY
.....
SECURITY
FRANCE

France Systèmes
.....
B2B APPLE DISTRIBUTION
FRANCE

TACTEM
.....
TELECOMS MANAGEMENT
FRANCE

ermestel
.....
VIRTUALISATION
SPAIN + MEXICO

EXAPROBE
.....
ICT CONVERGENCE & SECURITY
FRANCE

**Successful
integration
and the first
major deals
signed**

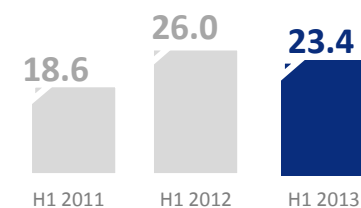
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CONSOLIDATED INCOME STATEMENT

IFRS in € millions	H1 2012	H1 2013
Revenue	736.9	792.3
Recurring operating profit^(*)	26.0	23.4
Recurring operating profit	25.0	22.4
Non-recurring operational expenses	(3.7)	(2.2)
Operating profit	21.2	20.1
Financial result	(2.2)	(2.3)
Profit before tax	19.1	17.8
Income tax	(5.4)	(5.7)
Net profit, excluding non-controlling interests	13.7	12.2

A return to the normal seasonal variations of results and strategic investments

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CONSOLIDATED BALANCE SHEET

AT 30 JUNE 2013

IFRS
in € millions




Assets	31/12/2012 Pro forma	30/06/2013
Goodwill	149	153
Other non-current assets	132	128
Non-current assets	281	281
Inventories	26	22
Trade and other receivables	683	655
Other current assets	29	29
Cash and cash equivalents	80	67
Current assets	818	773
Total balance sheet	1,099	1,054

Liabilities	31/12/2012 Pro forma	30/06/2013
Shareholders' equity¹	156	146
Financial debts	93	91
Other non-current liabilities	36	48
Non-current liabilities	129	129
Trade payables	600	546
Other current liabilities	183	160
Financial debts	31	72
Current liabilities	814	779
Total balance sheet	1,099	1,054

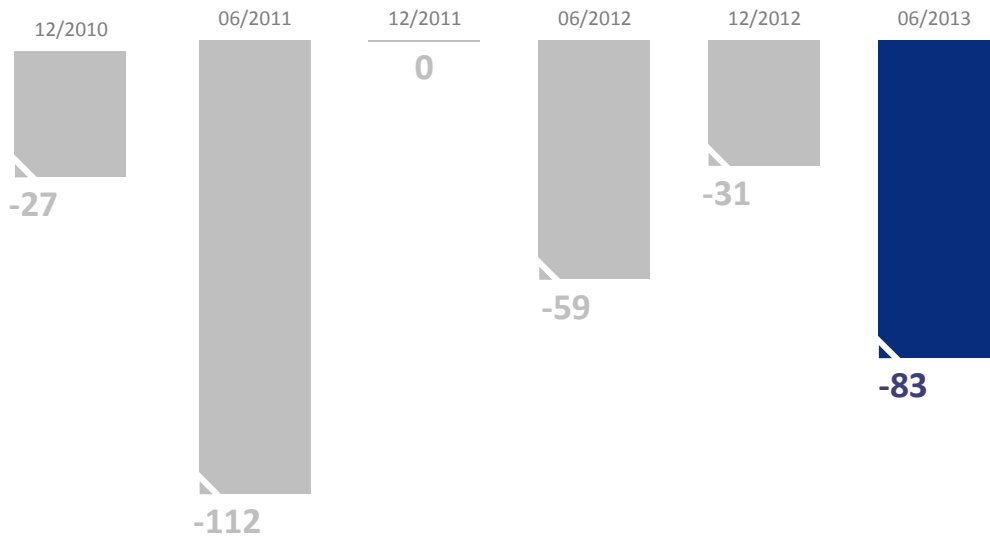
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CONSOLIDATED STATEMENT OF CASH FLOWS

IFRS in € millions 	H1 2012	H1 2013
Cash flow	26.9	23.9
Change in working capital	(68.7)	(41.5)
Income tax paid	5.1	(2.5)
Net cash provided by operating activities	(36.7)	(20.2)
Net cash used in investing activities	(3.5)	(8.2)
Net changes in financial debts	(9.1)	36.5
Acquisition and sale of treasury shares	(7.0)	(11.5)
Dividends paid	(9.7)	(9.2)
Net cash used in financing activities	(29.5)	16.2
Impact of changes in exchange rates	0.6	(0.4)
Changes in gross cash	(69.2)	(12.7)

CONSOLIDATED NET CASH STATEMENT*

IFRS
in € millions 



- CONVERTIBLE BONDS
(€80) M
-+.....
- CONTRACTS WITH RECOURSE
(IFRS DEBT)
(€32) M
-+.....
- OTHER DEBTS
(8) M€
-+.....
- SHORT-TERM LINES
(€30) M
--.....
- GROSS CASH POSITION
+€67 M
-=.....
- NET FINANCIAL DEBT
(€83) M

**A healthy cash
bank position
(€37 M) in spite of
investments**

FINANCIAL GUIDANCE CONFIRMED



ORGANIC GROWTH

...+.....

POSITIVE EFFECT
OF ACQUISITIONS

Another year
of investments
and profitable
growth





A COMPANY WITH AMBITIONS IN THE DIGITAL WORLD

Presentation of the Mutation
2013-2017 strategic plan

THE WORLD IS GOING DIGITAL ECONOCOM MUST MUTATE

Digital
is bought as a **Service**



Econocom must:

- Expand services
- Use its leasing expertise to sell “as a Service”
- Develop more integrated solutions



Digital
is central to **business**

Econocom must:

- Deploy new types of equipment
- Take an active interest in clients’
business
- Adapt to new selling methods

ECONOCOM HAS EVERYTHING IT TAKES TO ACHIEVE ITS AMBITION

Financial
integration

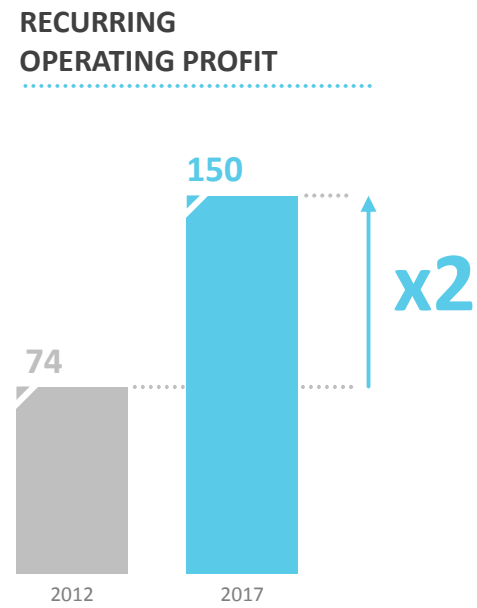
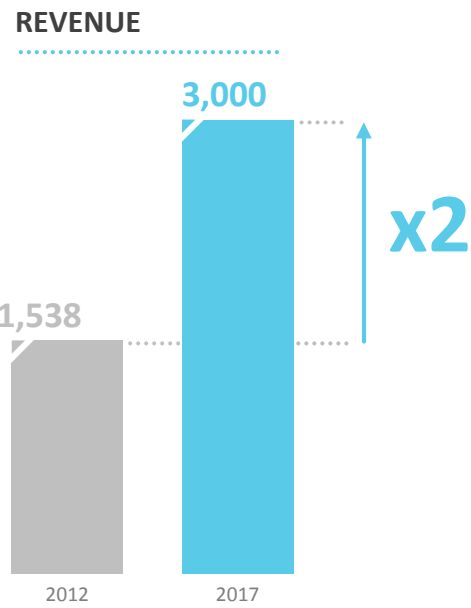


Technological
integration

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To be the **European**
pioneer in integrating and financing
digital solutions.

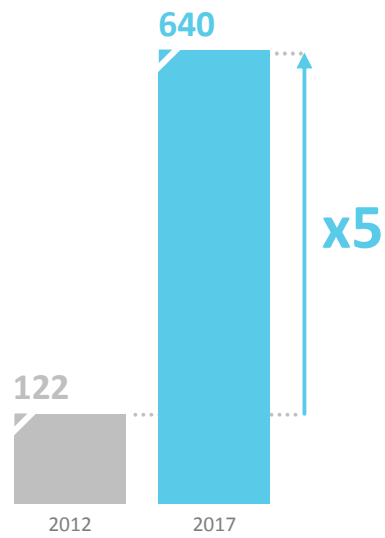
AMBITIOUS GROWTH GUIDANCE WHILST PRESERVING MARGINS



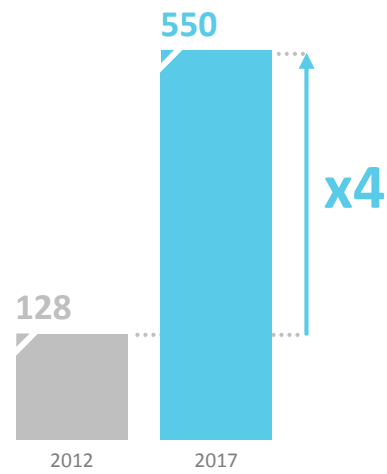
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5 GROWTH DRIVERS

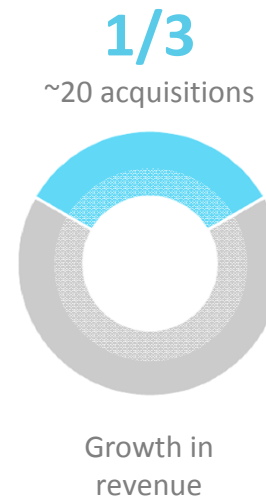
SMART SOLUTIONS



ENTERPRISE SOLUTIONS



ACQUISITIONS



CROSS-FERTILISATION CLIENTS

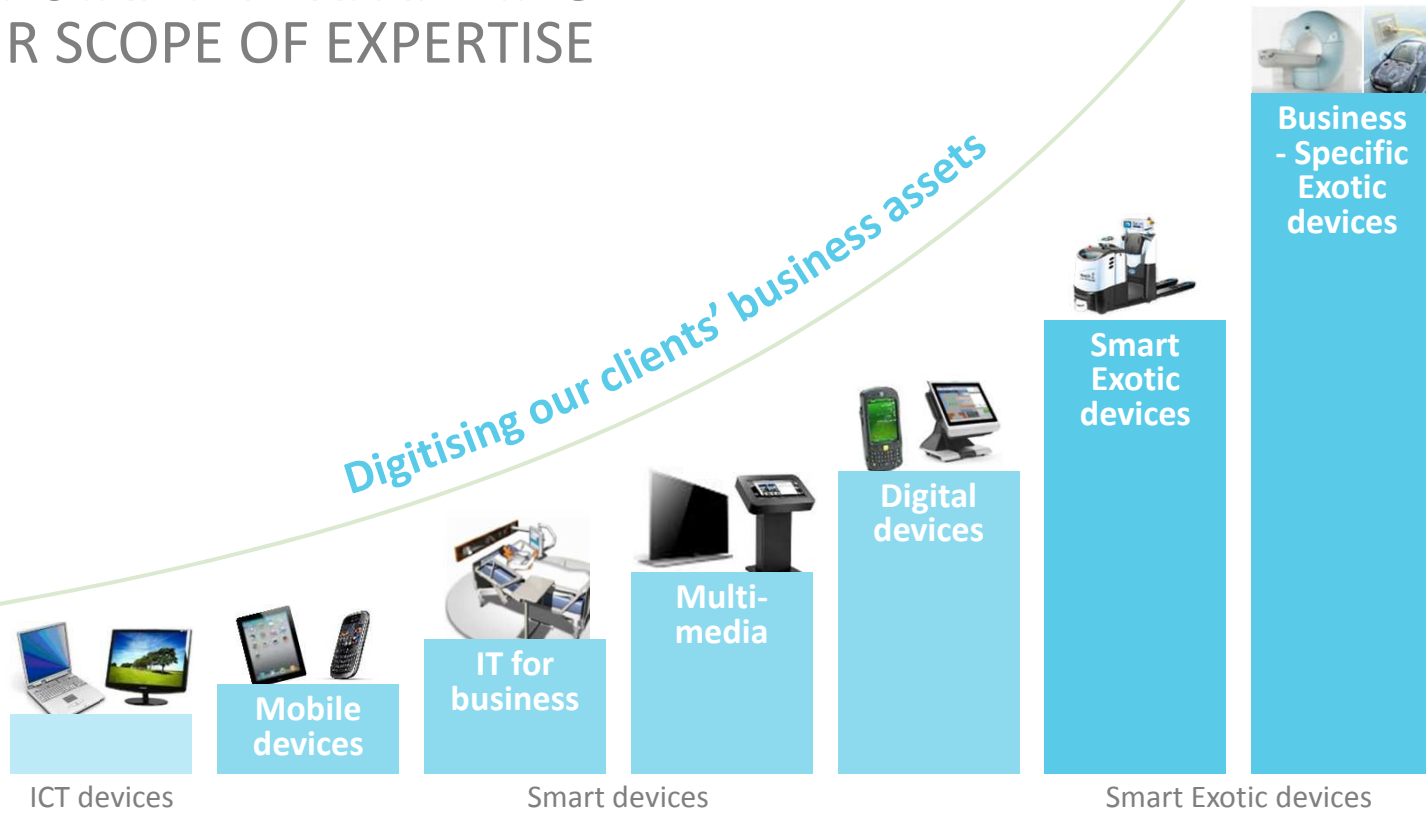
x3 in 2017

DEVELOP A MULTI-ACTIVITY MODEL

in 6 countries

CONSTANTLY EXPANDING OUR SCOPE OF EXPERTISE

Digitising our clients' business assets



A GROWTH STRATEGY TAILORED TO EACH COUNTRY

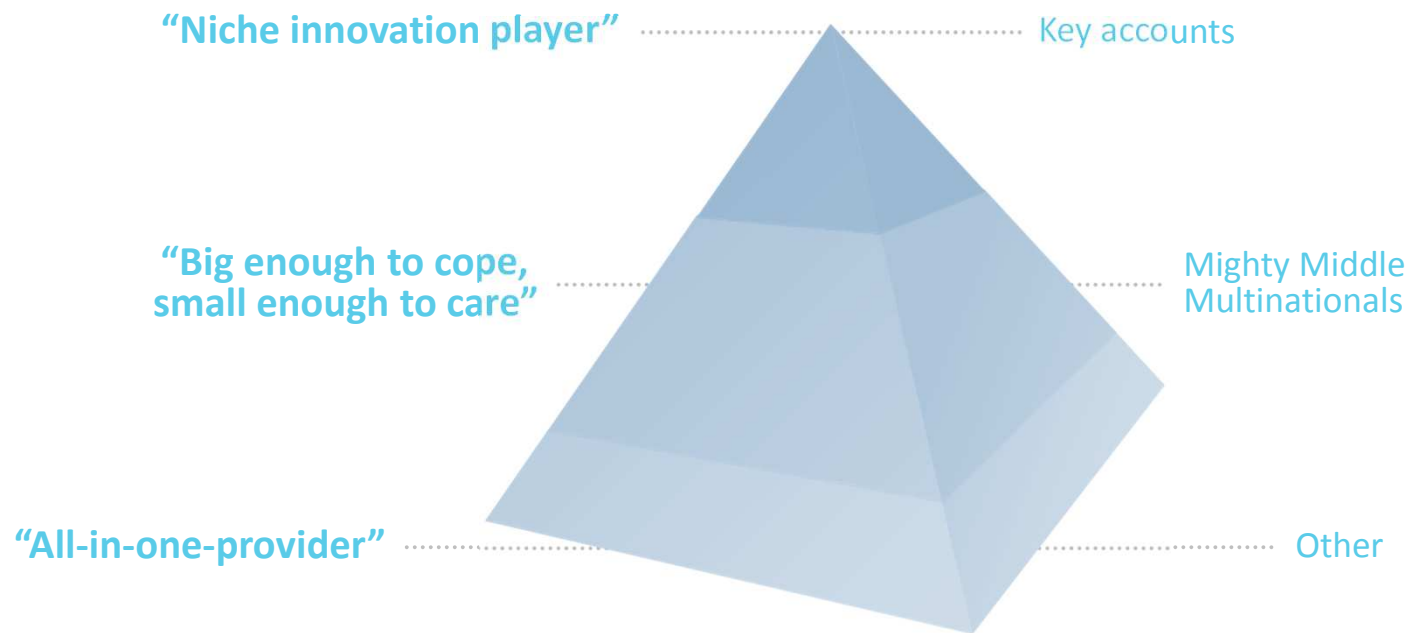
Developing and driving change  #1

Multi-activity and growth  #2

Winning market shares  #3

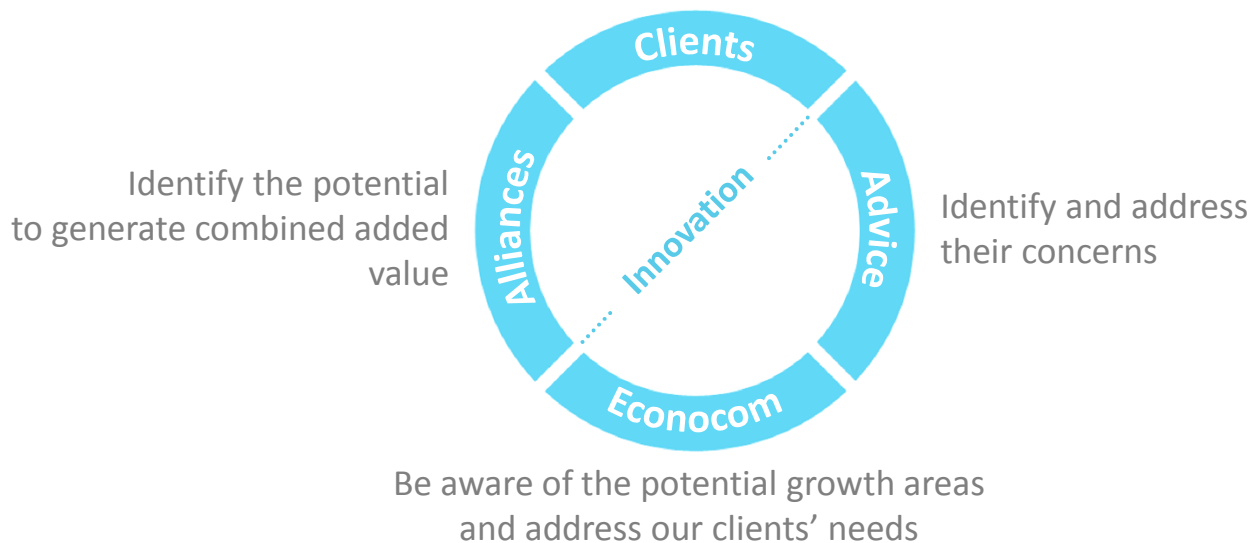
Opening in new countries  #4

OFFER SEGMENTATION BY CLIENT TYPE



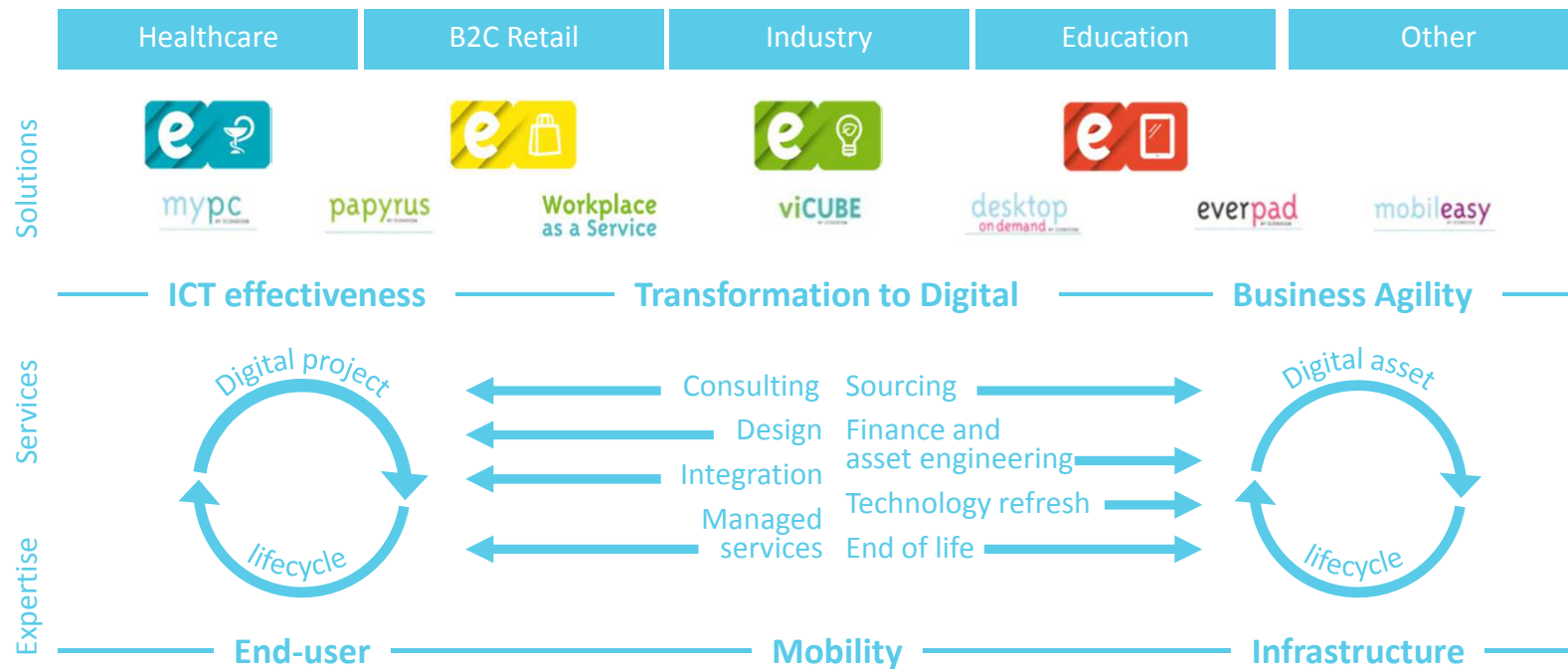
DEVELOPING AN ECOSYSTEM

Identify and guide influencers and decision-makers



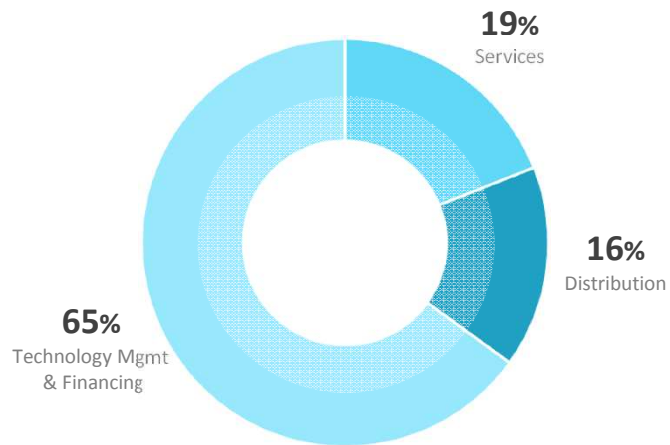
Emergence of ideas — Selecting development — Replication —>

CONVERGENCE OF SMART SOLUTIONS AND BUSINESS CHALLENGES

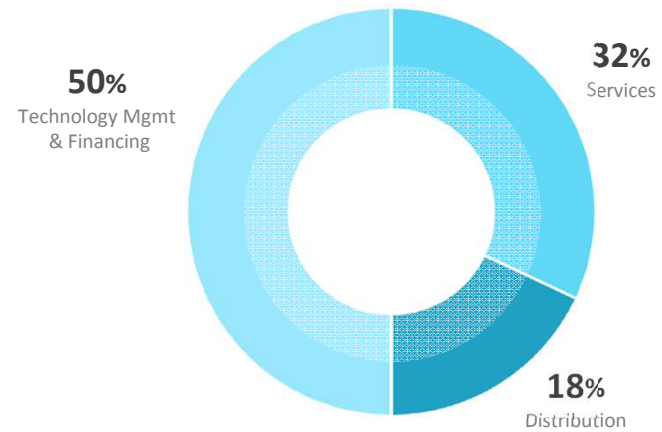


RESUMING A BALANCED BUSINESS MIX

2012
BUSINESS MIX €1.5 Bn



2017
BUSINESS MIX €3.0 Bn





**THE BIRTH OF
A LEADING NEW
SERVICE PROVIDER**
Project for an alliance with OSIATIS

OSIATIS SUCCESS STORY

1998



826

€79 M revenue
1.6% R.O.P.

Osiatis created
Support and operations
for distributed IT
infrastructures

2004



1,372

€120 M revenue
5% R.O.P.

Organic growth +
targeted acquisitions
Selective, progressive
infrastructure
outsourcing

2010



3,140

€244 M revenue
6.8% R.O.P.

Organic growth +
Structuring (Focal) and
targeted acquisitions
Infrastructure services
and Developing New
Technologies

2012



4,581

€309 M revenue
7.3% R.O.P.

Organic growth +
Targeted acquisitions
(including ESR and
Interadapt in Brazil)
A major player in
infrastructure services &
specialists in related
applications

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A NEW LEADING SERVICE PROVIDER

Econocom + Osiatis
the leading service company in France and Belgium



20
countries



8,300
employees



€2.0 Bn
revenue



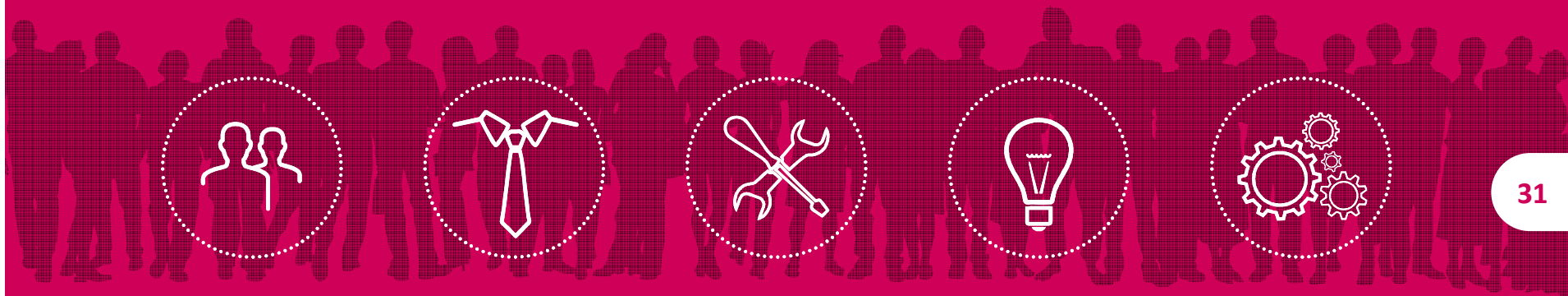
of which **€650 M**
from services



€100 M
Recurring operation profit
before synergies

30

AN INFRASTRUCTURES AND APPLICATION-BASED OFFERING



Infrastructure
Management

Infrastructure
Professional
Services

Infrastructure
Maintenance

Infrastructure
Engineering

Application

31

6,860 employees in IT Services
including 750 in the Applications division

THE NEW IT OUTSOURCING LEADER IN FRANCE

Infrastructures

- 1 IBM
- 2 Orange Business Services
- 3 HP
- 4 ATOS
- Econocom + Osiatis**
- 5 Steria
- 6 Capgemini
- 7 Osiatis
- 8 BT Global Services
- 9 CSC
- 10 Bull

User environment

- 1 IBM
- Econocom + Osiatis**
- 2 HP
- 3 Osiatis
- 4 Neurones
- 5 Steria
- 6 Econocom
- 7 Atos
- 8 Capgemini
- 9 SCC
- 10 Computacenter

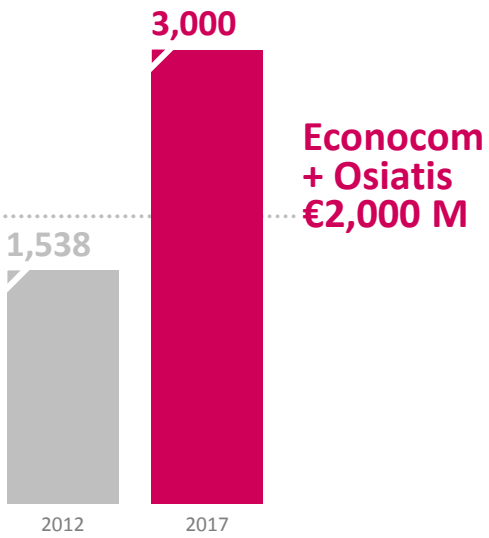
Data centre and hosting

- 1 IBM
- 2 Orange Business Services
- 3 HP
- 4 ATOS
- 5 BT Global Services
- 6 Capgemini
- 7 Steria
- 8 CSC
- Econocom + Osiatis**
- 9 OVH
- 10 Bull

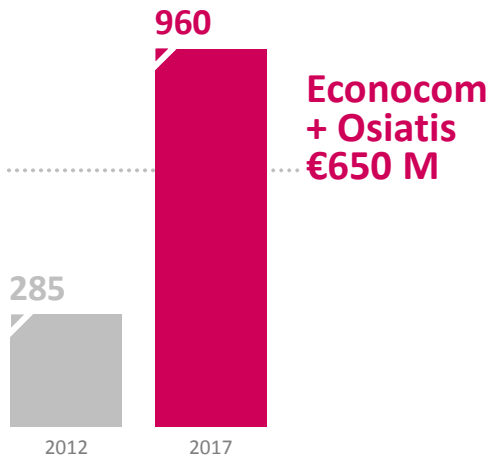
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THE FIRST MAJOR STEP OF THE STRATEGIC PLAN

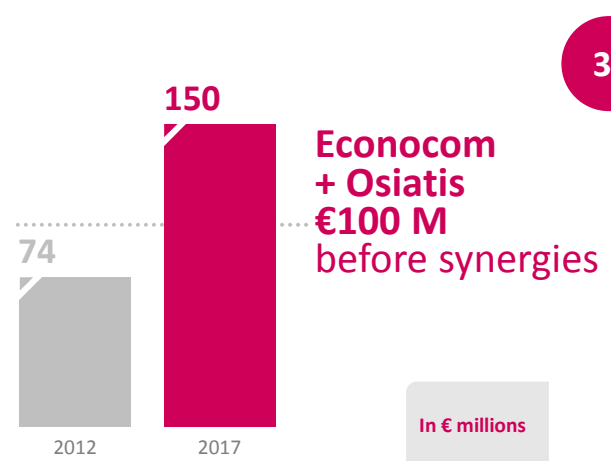
REVENUE



SERVICE REVENUE



RECURRING OPERATING PROFIT



33

In € millions

TERMS OF THE TRANSACTION



Mixed offer

1 OSIATIS share

1 ECONOCOM share
+
€4

Step 1:
Acquisition of the controlling interest (51.9% of share capital + common share purchase warrant)

Step 2:
Public bid for free-float shares



2-phase transaction

A VALUE-CREATING TRANSACTION



Transaction accretive in the first year

Integration accretive as of 2014
€20 M worth of synergies

+

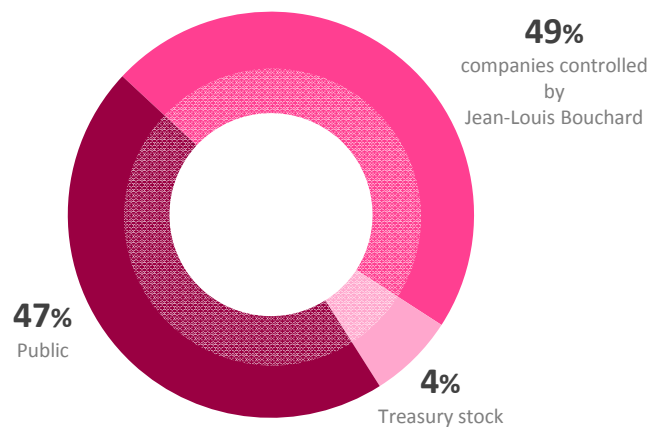
Mixed financing - cash & shares
Equity increased and debt under control



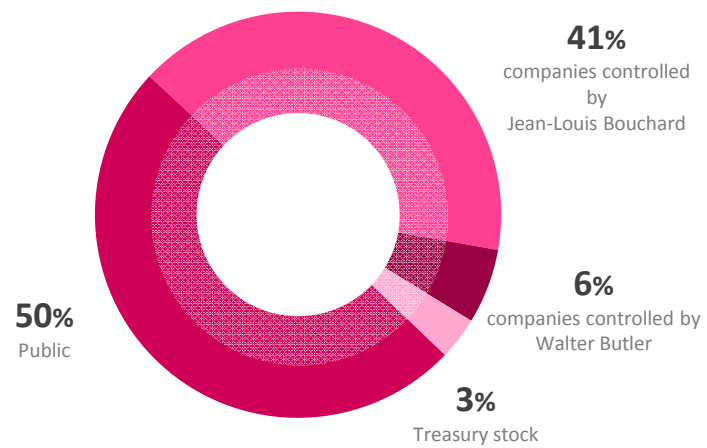
Financial capacity maintained for new investments

SHAREHOLDER INFORMATION

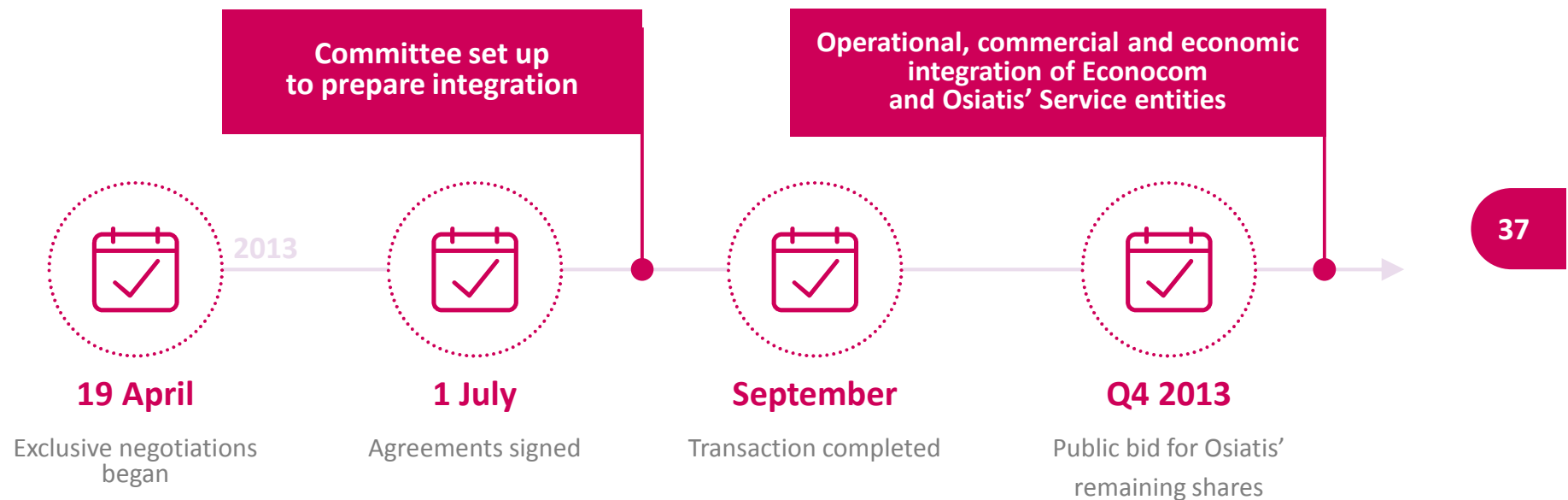
OWNERSHIP STRUCTURE
AT 30 JUNE 2013



OWNERSHIP STRUCTURE
AFTER ACQUISITION OF THE CONTROLLING INTEREST



PROVISIONAL TIMELINE





CONCLUSION

5 POINTS TO REMEMBER FROM THIS PRESENTATION

- Strong half-year results and **annual guidance confirmed**
- An **ambitious strategic plan** and a strong growth dynamic driven by the digital boom
- A **determining transaction** that will **create value**
- A **strengthened position in the digital service industry**
- **Investment capacity preserved**

QUESTIONS & ANSWERS

STOCK MARKET INFORMATION: OVERVIEW

Closing price as of 30/08/2013 5.80 €

Number of shares	96,691,588
Market capitalisation	€561 M
Productivity (€0.10)	1.7%
Daily trading volume (average 2013)	62,791 shares
ISIN	BE0974266950
MNEMO	ECONB
Market	NYSE EURONEXT
Compartment	B
Index	BEL MID



FINANCIAL COMMUNICATION

Econocom Group

ACTUS Finance & Communication

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Next press release:
3rd quarter revenue statement (17 October 2013)