

Q1 2019 results

Analyst presentation

21 May 2019



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 facts and figures Q1 2019



Growth Q1 2019

€188.6m revenue

+22.8% total growth,
of which +11.7% organically



European positioning in Google Cloud technologies reinforced

Acquisition of Avalon Solutions in the Nordics

- €5m revenue in 2018
- 45 people
- Consolidated from 1 April 2019

Ongoing negotiation with g-company in Benelux

- €5.8m revenue in 2018 (estimate)
- 60 people



Investment on AI

Appointment of **Aymen Chakhari** as Group AI Director

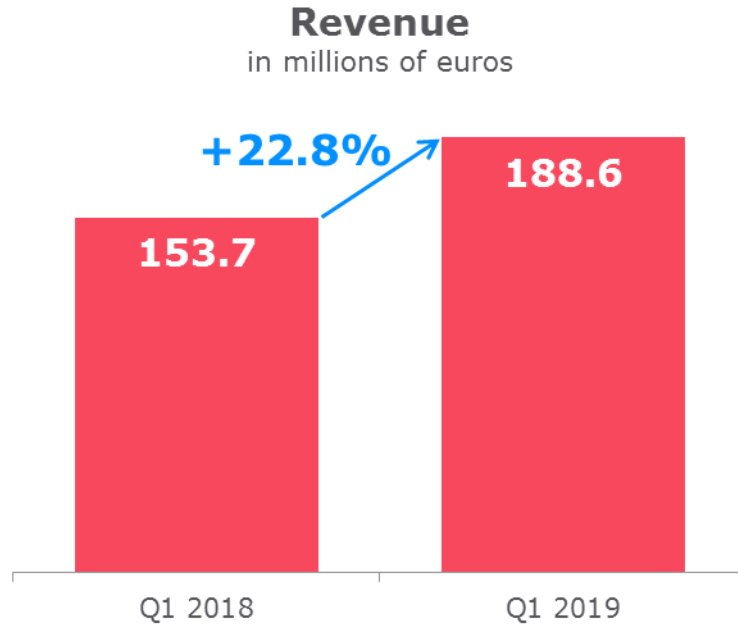
Creation of **Catalix by Devoteam**, the AI school for business

Tech for People foundation: shape technology for people

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Financial results

Q1 2019 revenue



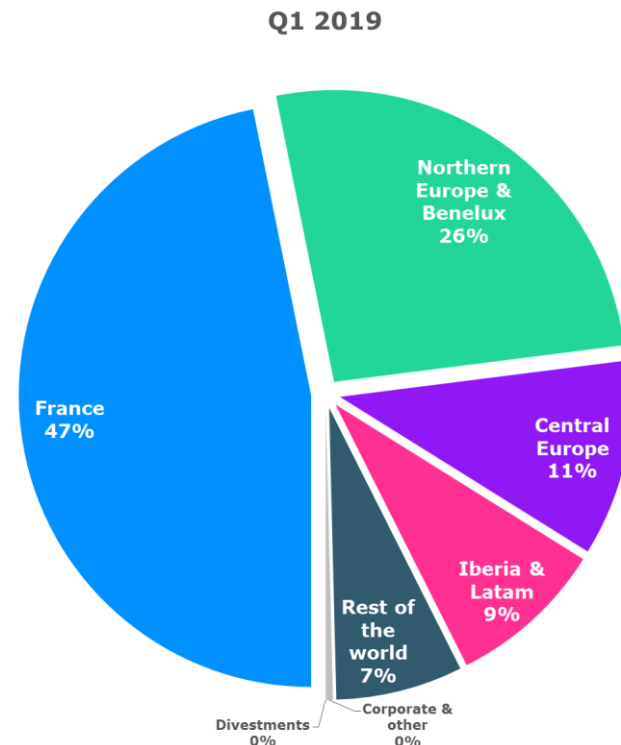
+22.8% YoY growth of revenue

- M&A impact: +10.8%
- FX impact: +0.3%

+11.7% like-for-like variation

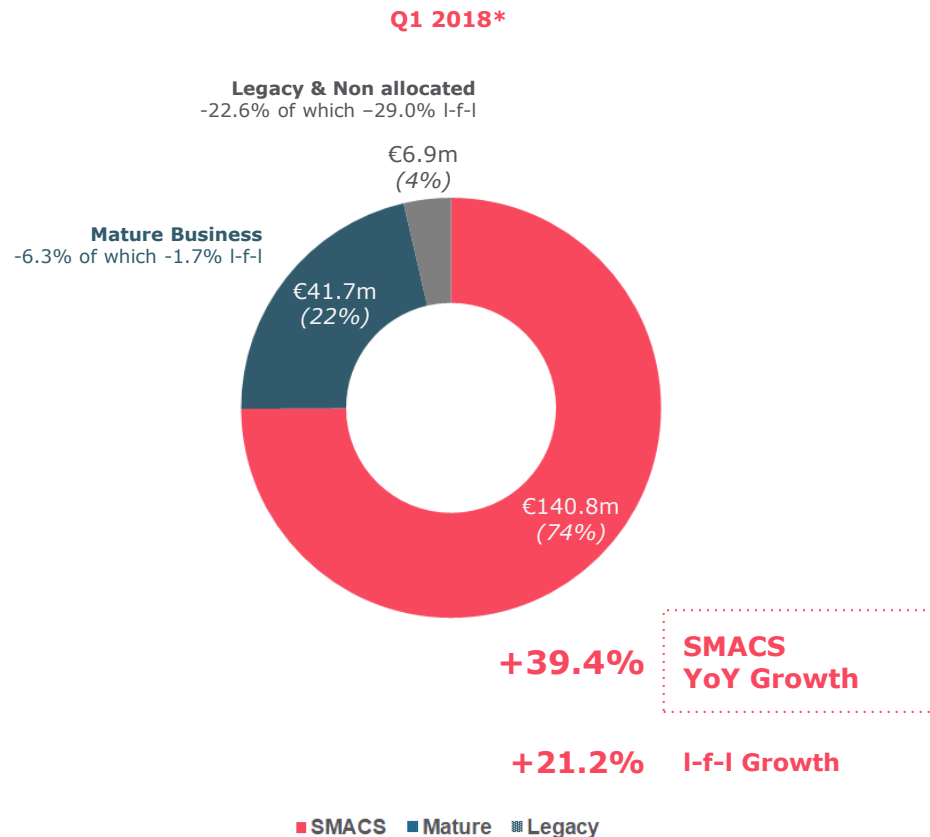
Revenue by Segment

In millions of euros	Q1 2019	Q1 2018
France	89.0	78.2
Variation	13.9%	
L-f-l variation	13.9%	
Northern Europe & Benelux	49.8	39.3
Variation	26.7%	
L-f-l variation	10.4%	
Central Europe	20.7	13.2
Variation	56.7%	
L-f-l variation	-0.8%	
Iberia & Latam	16.5	7.8
Variation	113.1%	
L-f-l variation	2.0%	
Rest of the world	13.3	9.8
Variation	35.7%	
L-f-l variation	30.8%	
Corporate & other	(0.7)	(0.7)
Divestments	-	6.1
Total	188.6	153.7
Variation	22.8%	
L-f-l variation	11.7%	
Currency impact	0.3%	
Perimeter impact	10.8%	



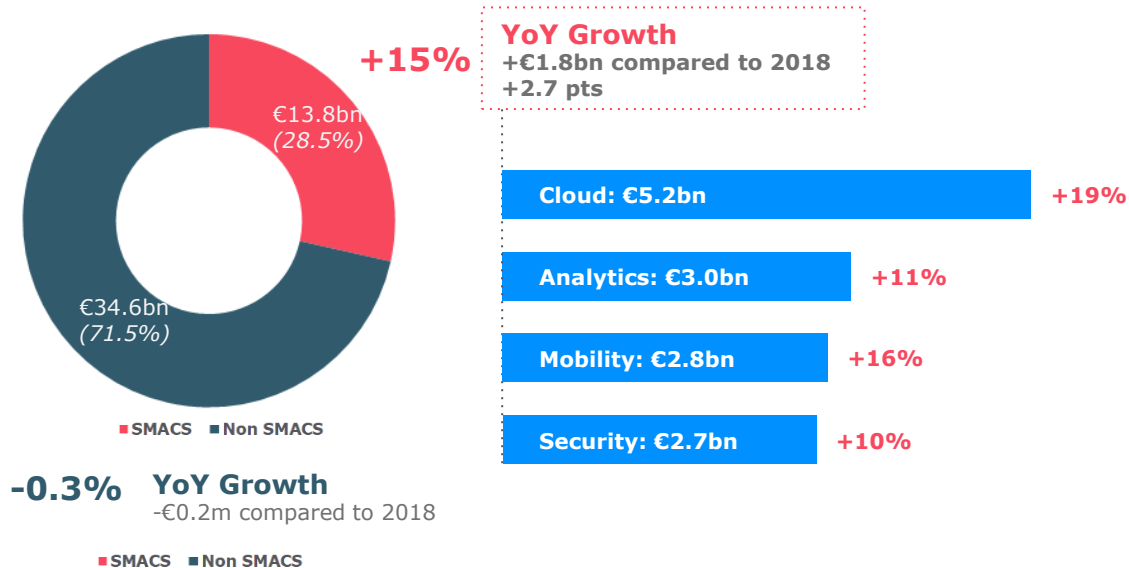
Note: in the 2019 organization, TMNS Switzerland is reclassified from the segment Northern Europe & Benelux into the segment Central Europe. Q1 2018 is pro forma 2019.

Growth driven by SMACS



8 *: Revenue excluding 'Corporate & Other' segment, based on the most required skill of each project declared by the sales team, not audited. Past revenue restated from previous months due to skill reclassification.

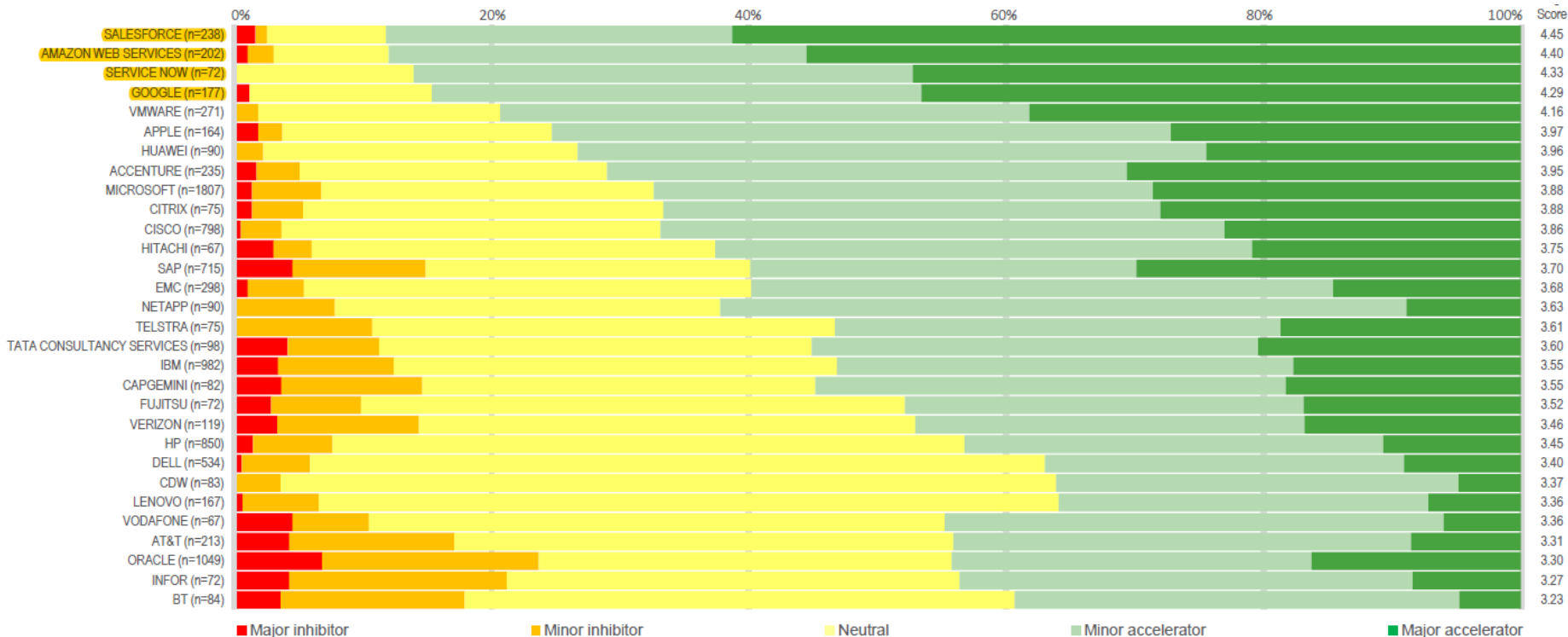
SMACS transformation will drive the IT Market growth in 2019



Source: Syntec, 2019

Focus on partners that are "Digital Accelerators"

Our strategic partners are at the top of Gartner's Digital Accelerators ranking



Source: Gartner (2016)

We grow and innovate within a **vivid ecosystem of global and local partners**



Strategic gold partners

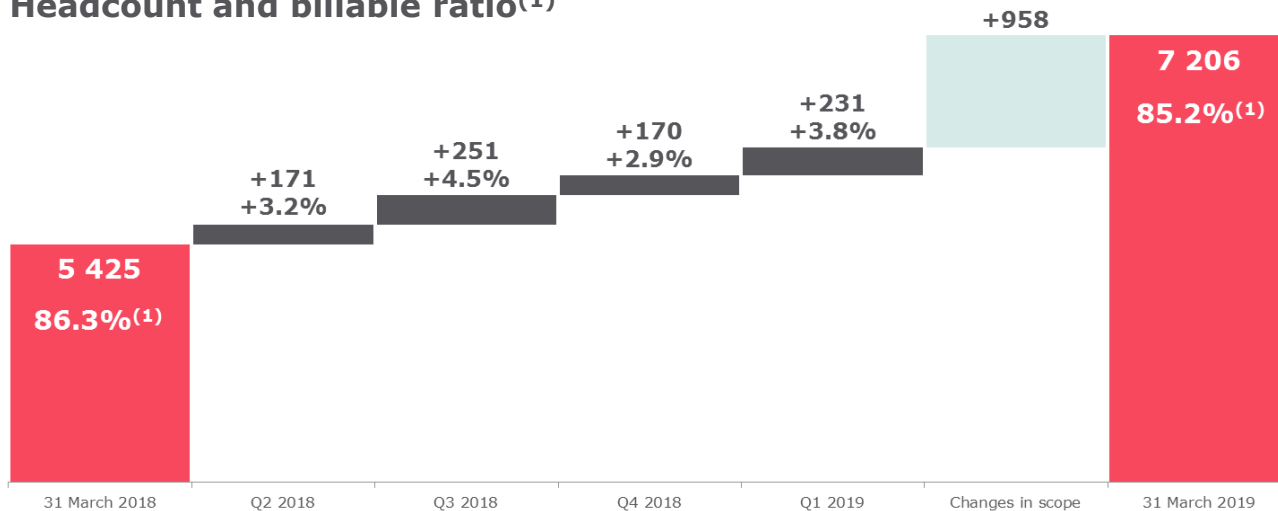


Silver partners



Talent acquisition

Headcount and billable ratio⁽¹⁾



Acquisition Q4 2018

Jayway +226p

Acquisitions Q3 2018

Bold +627p

Alegri +224p

New Bic +43p

Paradigmo +13p

Divestment Q3 2018

Shift -71p

Divestment 31/12/18

Siticom GmbH -104p

Attrition rate of billable employees

31.5% in Q1 2019
vs. 30.9% in Q4 2018

Utilization rate of internal resources⁽²⁾

Q1 2018	Q2 2018	Q3 2018	Q4 2018	2018	Q1 2019
85.6%	84.4%	84.2%	82.7%	84.2%	82.4%

⁽¹⁾Billable ratio = productive headcount / total headcount

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

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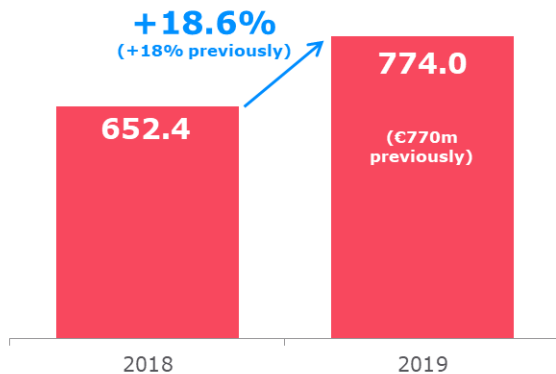
Prospects

2019 guidance

Considering stable economic environment, exchange rates and accounting method

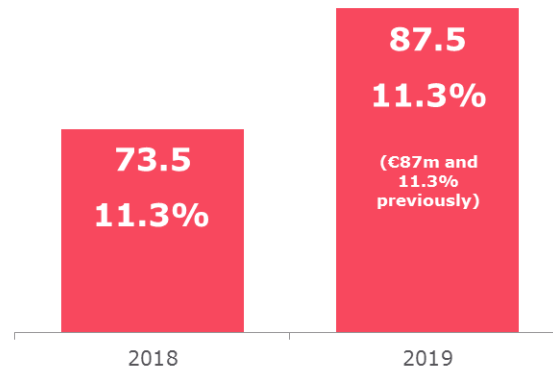
Revenue

in millions of euros



Operating margin

in millions of euros and in % of Revenue



- **Organic growth above +12%**
- M&A impact: +6.4 pt (+5.8 pt previously)
 - Alegri: €18.9m in 8m 2019 (€22.2m previously)
 - Bold: €21.1m in 8m 2019 (€19.0m previously)
 - Jayway: €18.9m €17.9m in 9m 2019 (€17.9m previously)
 - Paradigmo & New BIC: €2.8m H2 2019 (€2.7m previously)
 - Avalon: €4.1m Apr-Dec 2019
 - Divestments: -€23.8m (Shift & Siticom GmbH)

- **Operating margin steady at 11.3%**
- Restructuring costs expected around 0.5% of the revenue

IFRS 16 impact: not significant

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Appendix

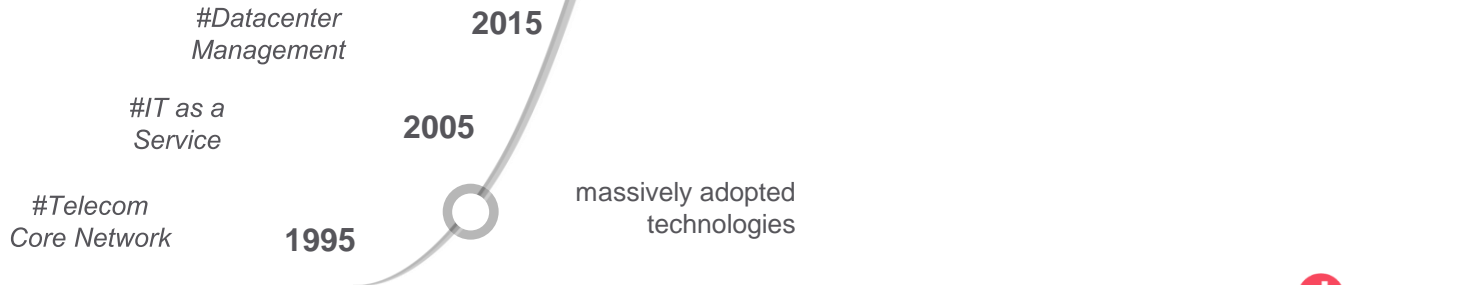
with our learning and entrepreneurial culture

we have chosen our tech future.

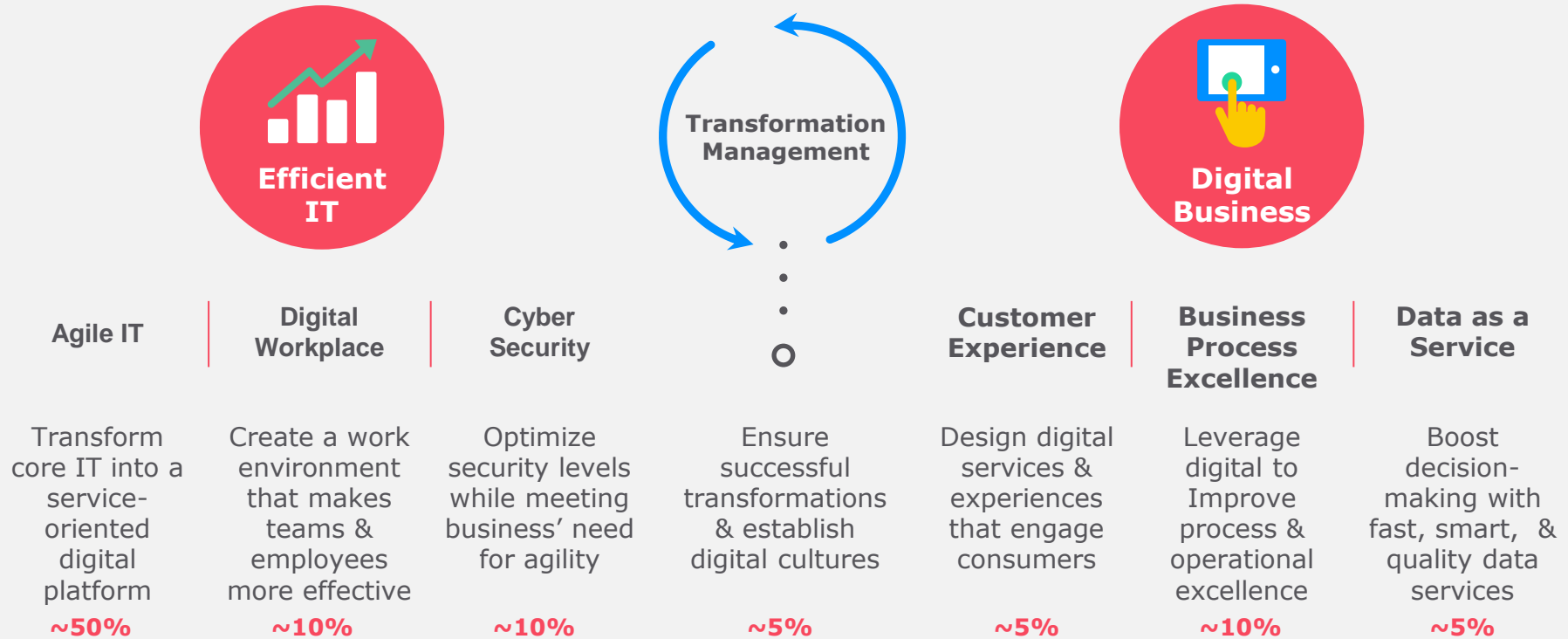
maximising
business
value for
customers.



technologies to
be adopted at
scale



We deliver Innovative Technology Consulting for Business, with a unique Transformation DNA



Pro forma information following the reclassification of TMNS Switzerland from the segment Northern Europe & Benelux into the segment Central Europe

In millions of euros	Q1 2018 restated	Q1 2018 presented*	Q2 2018 restated	Q2 2018 presented*	Q3 2018 restated	Q3 2018 presented*	Q4 2018 restated	Q4 2018 presented*
Northern Europe & Benelux								
Group contribution	39.3	39.8	38.7	39.3	35.7	36.3	49.5	50.1
Central Europe								
Group contribution	13.2	12.7	12.4	11.8	15.2	14.6	22.3	21.7

In millions of euros	H1 2018 restated	H1 2018 presented*	9m 2018 restated	9m 2018 presented*	2018 restated	2018 presented*
Northern Europe & Benelux						
Group contribution	78.0	79.0	113.7	115.3	163.2	165.4
Operating margin	6.7	6.7			13.9	13.8
In % of Group contribution	8.6%	8.5%			8.5%	8.4%
Central Europe						
Group contribution	25.6	24.6	40.8	39.1	63.1	60.8
Operating margin	2.8	2.7			6.8	6.8
In % of Group contribution	10.8%	11.1%			10.7%	11.2%

*Segment Northern Europe & Benelux presented in September 2018 for Q1, Q2 and H1 2018, presented in November 2018 for Q3 and 9m 2018, and presented in March 2019 for Q4 and full year 2018. Segment Central Europe presented in March 2019.

Clients and verticals Q1 2019

Top 3

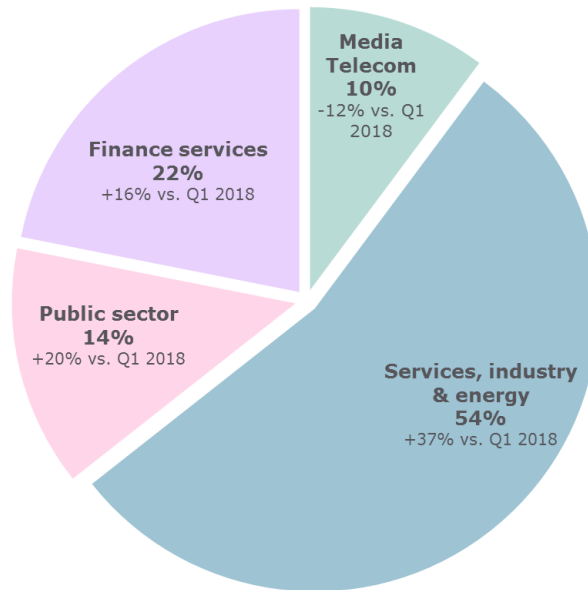
11% of the revenue

- BNP Paribas
- ENGIE
- Société Générale

Next 7

16% of the revenue

- Major electricity provider
- SNCF
- CA/CL
- Carrefour
- Airbus Group
- AXA
- Sanofi



Shareholding structure

	31/12/2018			
	Number of shares	% of capital	Number of voting rights	% of voting rights
Executive Board ⁽¹⁾	1,792,607	21.5%	3,296,853	32.3%
Allianz	552,189	6.6%	552,189	5.4%
Tabag ⁽²⁾	418,402	5.0%	836,804	8.2%
Sycomore AM	231,130	2.8%	231,130	2.3%
Financière Arbevel	176,020	2.1%	176,020	1.7%
Owned shares	274,259	3.3%	-	-
Public	4,887,800	58.7%	5,117,502	50.1%
Total	8,332,407	100.0%	10,210,498	100.0%

⁽¹⁾And their family, acting in concert.

⁽²⁾Owned by Yves de Talhouët, linked with the Board of Directors by a tax treaty (so called "Loi Dutreil") since December 2008; according to this agreement, a global amount of 2,040 shall be kept during a minimum of 2 years.

Glossary

France: France

Northern Europe & Benelux: Belgium, Denmark, United Kingdom, Luxembourg, Netherlands, Norway and Sweden. It also includes TMNS in Germany and in Serbia, Jayway in the USA

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

Iberia & Latam: Spain, Mexico, Panama and Portugal

Rest of the world: Middle East, Italy, Morocco, Tunisia and Turkey

Corporate: headquarter activities which cannot be allocated directly to the operational segments, and discontinued operations

Divestments: in 2018, the segment includes Shift deconsolidated from 1 September 2018 and Siticom GmbH deconsolidated from 31 December 2018

Speedboat: new entity that offers a promising or potentially promising product or service, outside of the Group's current range of activities in a given country, which receives accelerated development assistance from one or more associate managers with a view to reaching a critical size within three to five years

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

Operating margin: current operating result excluding the amortization of intangible assets resulting from acquisitions and the cost of share-based payments

Like-for-like or I-f-I variation: variation at comparable perimeter and exchange rates. The currency impact is calculated by translating the accounts for year N of subsidiaries having a functional currency different than euro with N-1 exchange rates.

The impact of changes in the scope of consolidation is determined:

- for the year N acquisitions, by deducting from total revenue N, the amount of revenue generated during year N by the acquired entities;
- for the year N-1 acquisitions, by deducting from total revenue N, the amount of revenue generated during year N over the months during which the acquired entities were not consolidated in N-1;
- for the year N disposals, by deducting from total revenue N-1, the amount of revenue generated during year N-1 over the months during which the divested entities were no longer consolidated in N;
- for the year N-1 disposals, by deducting from total revenue N-1, the amount of revenue generated during year N-1 by the divested entities

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

SMACS: Social Mobile Analytics Cloud Security

Attrition rate: number of billable employees leaving the Group during the period compared to the average billable headcount over the same period

Free cash flow: operating cash flow reduced by the acquisition of tangible and intangible assets.

Contacts

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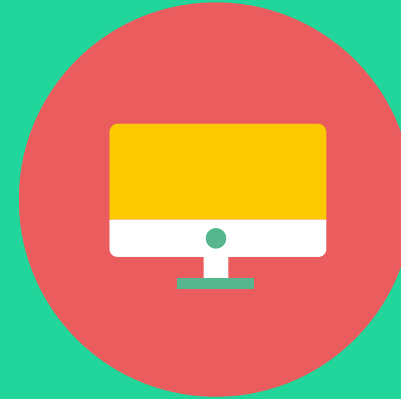
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