

Gfi Informatique: Third quarter 2017 revenue

STRONG GROWTH IN ACTIVITY: +12.2%
STRONG GROWTH IN INTERNATIONAL ACTIVITIES: +7.6%

Saint-Ouen (France), 7 November 2017 - Gfi Informatique generated a revenue of €259.4 million in the third quarter of 2017, up 12.2% comparing to the previous year.

In € million	3 rd quarter 2017	3 rd quarter 2016	Variation %	Organic growth
<i>France</i>	190.7	192.3	(0.9)%	(1.6)%
<i>International</i>	68.7	38.8	77.0%	7.6%
3rd QUARTER REVENUE	259.4	231.1	12.2%	0.0%

In € million	30 September 2017	30 September 2016	Variation %	Organic growth
<i>France</i>	609.2	616.1	(1.1)%	(2.1)%
<i>International</i>	212.2	117.2	81.1%	10.0%
TOTAL REVENUE	821.4	733.2	12.0%	(0.2)%

Commenting on these results, Vincent Rouaix, Chairman and CEO of Gfi Informatique, said: "Gfi Informatique recorded a very robust activity in the third quarter, notably outside France, confirming the validity of its growth strategy in Europe and Latin America. In France, excluding the calendar effect and adjusted for exceptional items from 2016, activity remained sustained but under the pressure of the growth in staff numbers."

PROGRESSION OF THIRD QUARTER ACTIVITY IN FRANCE

- **In France: unfavourable comparison basis but strong level of activity**

In the third quarter, Gfi Informatique generated a revenue of €190.7 million in France, a slight decrease of 0.9%, including a 1.6% contraction in like-for-like basis. This expected decline has mainly two causes. The first, accounting for -1.6%, is a lower number of working days in the third quarter. The second, as stated when signing the 3SI (Otto Group) outsourcing contract, is that a significant proportion of the revenue achieved in 2016 was not expected to be recurrent, reflected in a 1.7% decline in revenue over the quarter for the 3SI contract (€3.2m). Restated from these two effects, organic growth would have been positive in the quarter and since the beginning of the year. Similarly, these two elements had an impact of around 4% on the revenue of €609.2 million recorded since 1 January.

The average daily rate and workforce activity rate were broadly flat compared with the third quarter of 2016, being solid in Infrastructure Services (IS) and weaker in Application Services (AS) and Consulting.

Productive employees amounted to 8,598 in the third quarter compared with 8,481 in the third quarter of 2016, an increase of 1.3%. The rise in the churn rate remains one of the major elements in controlling growth.

Business activity was vigorous in this quarter and the rolling book-to-bill ratio stood at 1.29 at 30 September 2017.

- **International: very robust progression**

International sales in the quarter rose to €68.7 million, i.e. 26.5% of Group revenue. This represents an increase of 77.0%, of which 7.6% in organic growth. In the first nine months of the year, sales amounted to €212.2 million, a rise of 81.1%, of which 10.0% in organic growth.

- **Iberia-Latam** (19.7% of revenue): the Iberian Peninsula, both Spain and Portugal, continued to benefit from strong sales momentum and posted an organic growth of 5.0% and 15.7%, respectively.
- **Northern and Eastern Europe** (4.7% of revenue): revenue was up 30.3% to €12.8 million over the quarter, of which 9.7% in organic growth. The Polish business, notably, acquired in the second quarter of 2016, generated an organic growth of 24.7% over the quarter.

FINANCIAL POSITION

There are currently no known events affecting the Group's financial position.

OUTLOOK

For 2017, the Group, attentive to the economic environment, building on its achievements and its robust performances, confirms its objectives, namely to grow its revenue and operating margin by continuing its transformation, further strengthening its international position.

Next release: 31 January 2018, publication of fourth-quarter 2017 revenue.

Disclaimer:

The items in this press release other than historical facts are estimates. They do not constitute guarantees because of the inherent difficulties in forecasting results. Actual results may differ considerably from explicit or implicit forecasts.

About Gfi Informatique

Gfi Informatique is a major player in value-added IT services and software in Europe, and occupies a strategic position in its differentiated approach to global firms and niche entities. With its multi-specialist profile, the Group serves its customers with a unique combination of proximity, sector organisation and industrial-quality solutions. The Group has around 14,000 employees and generated revenue of €1,015 million in 2016.

Gfi Informatique is listed on Euronext Paris, NYSE Euronext (Compartment B) – ISIN Code: FR0004038099.

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PRESS RELEASE

APPENDIX

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Total revenue as at 30 September 2017

Revenue (in euros '000)	9 months 30/09/2017	9 months 30/09/2016	Reported growth	Like-for-like growth
France	609.2	616.1	-1.1%	-2.1%
International	212.2	117.2	81.1%	10.0%
Iberia-Latam	162.1	82.3	97.0%	8.3%
<i>Spain</i>	94.5	68.4	38.3%	6.2%
<i>Portugal</i>	56.4	13.9	306.0%	19.0%
<i>Latam</i>	11.1	0.0	na	na
Northern and Eastern Europe	38.9	26.0	49.8%	19.6%
<i>Belux</i>	20.2	17.1	18.8%	7.3%
<i>Switzerland</i>	7.1	2.8	150.4%	76.1%
<i>Poland</i>	11.6	6.1	89.5%	27.6%
Morocco-Africa	8.3	7.7	8.6%	0.2%
ROW	2.9	1.2	133.6%	-20.2%
Total	821.4	733.2	12.0%	-0.2%

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Detailed Revenue per quarter

Revenue (in euros '000)	1st quarter 2017	1st quarter 2016	Reported growth	Like-for-like growth
France	210.3	207.8	1.2%	0.0%
International	70.3	35.2	99.6%	13.3%
Iberia-Latam	54.1	25.9	109.1%	15.2%
<i>Spain</i>	32.5	21.5	51.1%	15.2%
<i>Portugal</i>	18.3	4.4	318.1%	23.1%
<i>Latam</i>	3.3	0.0	na	na
Northern and Eastern Europe	12.5	6.3	98.4%	15.4%
<i>Belux</i>	7.0	5.7	22.0%	16.7%
<i>Switzerland</i>	1.9	0.6	234.2%	2.0%
<i>Poland</i>	3.6	0.0	na	na
Morocco-Africa	2.8	3.0	-8.0%	-18.3%
ROW	0.9	0.0	na	na
Total	280.5	243.0	15.4%	2.0%

Revenue (in euros '000)	2nd quarter 2017	2nd quarter 2016	Reported growth	Like-for-like growth
France	208.3	215.9	-3.5%	-4.8%
International	73.2	43.2	69.5%	9.3%
Iberia-Latam	55.7	30.2	84.7%	2.5%
<i>Spain</i>	32.8	25.5	28.8%	-0.5%
<i>Portugal</i>	19.1	4.7	307.4%	18.4%
<i>Latam</i>	3.8	0.0	na	na
Northern and Eastern Europe	13.6	9.9	38.2%	32.1%
<i>Belux</i>	7.0	5.7	23.0%	23.0%
<i>Switzerland</i>	2.7	1.2	119.5%	77.2%
<i>Poland</i>	3.9	2.9	33.7%	30.7%
Morocco-Africa	3.0	2.5	17.0%	6.6%
ROW	0.9	0.6	39.4%	-15.8%
Total	281.4	259.1	8.6%	-2.4%

PRESS RELEASE

Revenue (in euros '000)	3rd quarter 2017	3rd quarter 2016	Reported growth	Like-for-like growth
France	190.7	192.3	-0.9%	-1.6%
International	68.7	38.8	77.0%	7.6%
Iberia-Latam	52.3	26.3	99.1%	7.0%
<i>Spain</i>	29.3	21.4	36.6%	5.0%
<i>Portugal</i>	19.0	4.8	293.6%	15.7%
<i>Latam</i>	4.0	0.0	<i>na</i>	<i>na</i>
Northern and Eastern Europe	12.8	9.9	30.3%	9.7%
<i>Belux</i>	6.2	5.6	11.1%	-18.2%
<i>Switzerland</i>	2.5	1.1	142.1%	116.4%
<i>Poland</i>	4.1	3.2	27.3%	24.7%
Morocco-Africa	2.6	2.1	22.4%	19.9%
ROW	1.0	0.6	65.3%	-45.2%
Total	259.4	231.1	12.2%	0.0%