

KEYRUS

insight into value

MANAGEMENT &
TRANSFORMATION

DATA INTELLIGENCE

DIGITAL EXPERIENCE

2016 RESULTS

Analyst Presentation

28 march 2017

ERIC COHEN

President - CEO

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Group Finance Director

SUMMARY OF ACTIVITY

■ Large Account Activities

KEYRUS

Solid growth in Large Account activities over the year : +16.4% (+12.7% at constant structure and exchange rates)

- Acceleration of Advanced Analytics offerings in all our regions
- Development of management consulting activities, both through organic and external growth
- Structural investments in the France and Group support functions so as to support the growth momentum

■ Mid-Market Activities

absys.cyborg

- Growth in activity of 1.2% in 2016, marked by the completion of the implementation of phase 2 of the Nominative Social Declaration (*DSN*) regulations and by a concurrent upturn in licence sales. The portfolio of maintenance contracts continues to grow, with particular attention being paid to margins

■ Keyrus Group

Two segments of activity that contribute to the Group's growth and that each have a clear strategy focused on its execution.

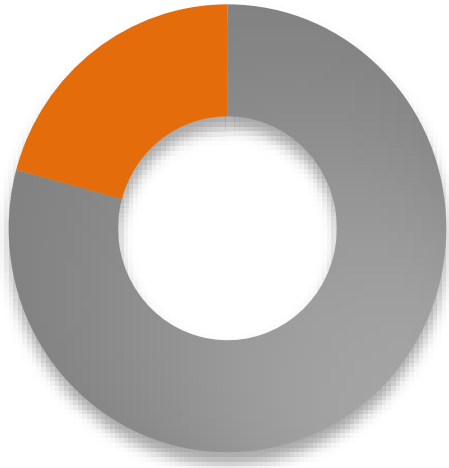
SUMMARY OF ACTIVITY

- Revenues of €227.9m representing organic growth of 10.1%
- Current Operating Income and Operating Income that increased as compared to 2015, standing at €9.2m and €7.4m respectively
- A cash position of €20.0m as at 31.12.2016 vs. €20.3m as at 31.12.2015
- Net financial indebtedness that rose slightly, standing at €15.0m vs. €13.9m in 2015. Moreover, at the start of 2016 the Group took up an accumulated medium-term credit line of €23m, repayable over 7 years, which refinances the medium-term credit lines on the balance sheet at the end of 2015 and will finance the Group's growth investments in the coming years
- A slight improvement in the profitability of Large Account activities, both in terms of Current Operating Income and Operating Income
- Mid-Market activities confirm their solid positioning, with a further improved level of profitability, in spite of the fact that at the end of 2015, projects linked to phase 2 of the implementation of the new Nominative Social Declaration (*DSN*) regulations came to an end
- A 2017 that looks promising, with a sector that is growing faster (+3.0%, after growth of 2.8% in 2016 - Syntec Numérique), but with recruitment and training remaining crucial challenges

SUMMARY OF ACTIVITY

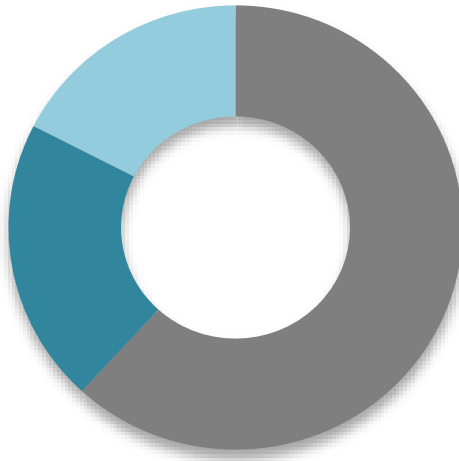
■ Breakdown of 2016 revenues

By market segment



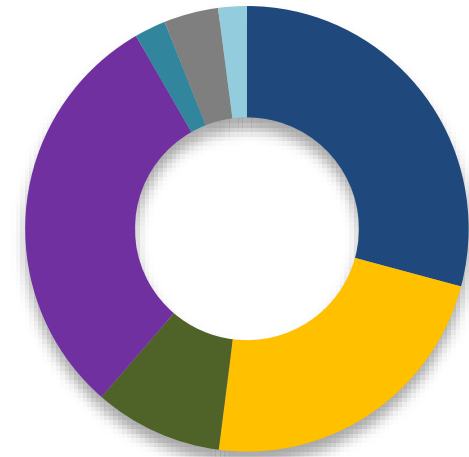
- Large Accounts **79,2%** (76,7%)
- Mid-Market **20,8%** (23,3%)

By geographical area



- France **61,9%** (64,4%)
- Europe **20,6%** (18,4%)
- Rest of the World **17,5%** (17,2%)

By industry sector

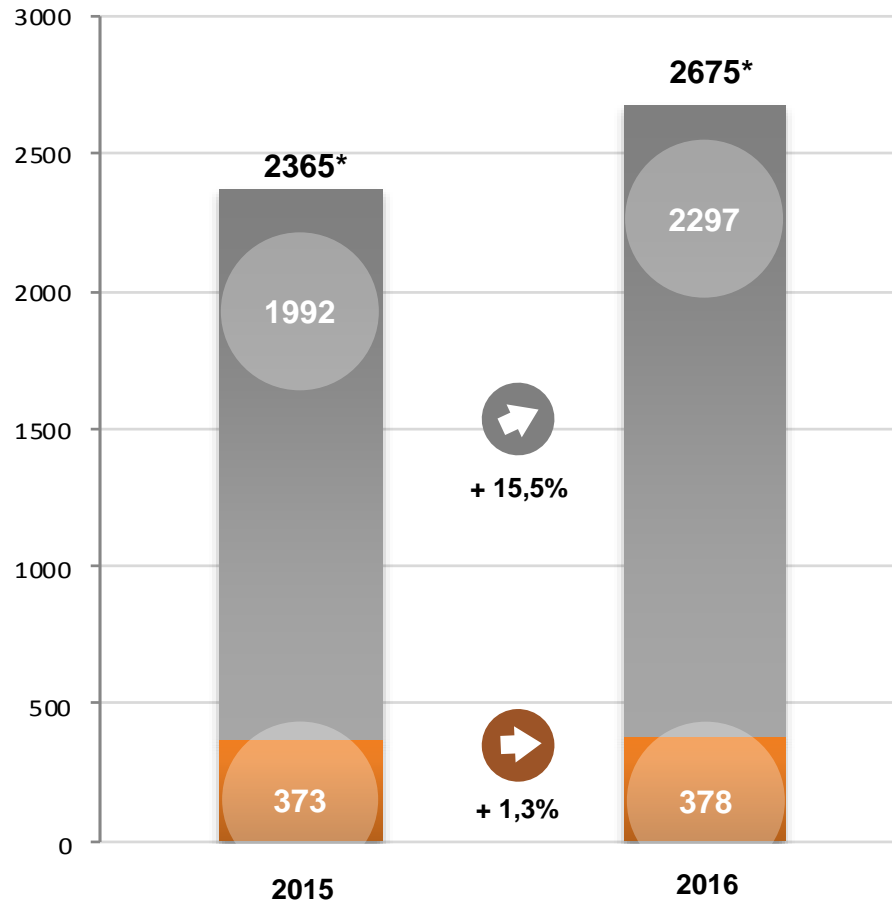


- Industry **29,1%** (28,8%)
- Bank – Insurance **22,9%** (22,3%)
- Telecommunications **9,4%** (9,8%)
- Services – Retail **30,1%** (30,5%)
- Public Sector **2,3%** (3,2%)
- Utilities **4,0%** (4,0%)
- Transport **2,1%** (1,4%)

In brackets : Data as at 31/12/2015

SUMMARY OF ACTIVITY

- Growth in workforce over 1 year*



> Large Accounts
+ **310 employees**

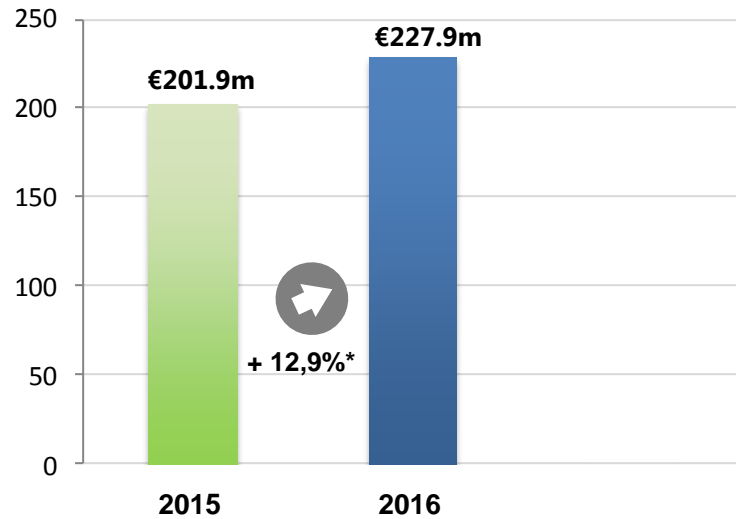
> Mid-Market
+ **5 employees**

■ Large Accounts
■ Mid-Market

* As at 31 December of the relevant year

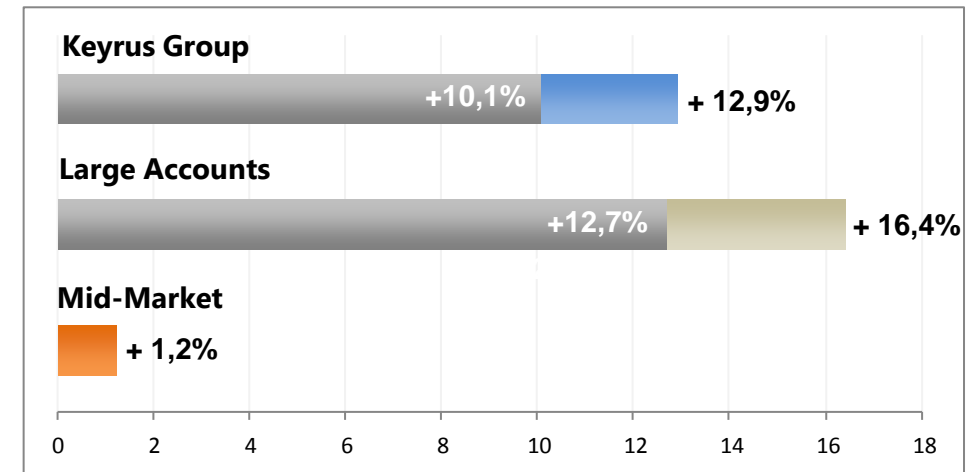
CONSOLIDATED FINANCIAL RESULTS AS AT 31 DECEMBER 2016

- Annual revenue trend



* 10,1 % at constant structure and exchange rates

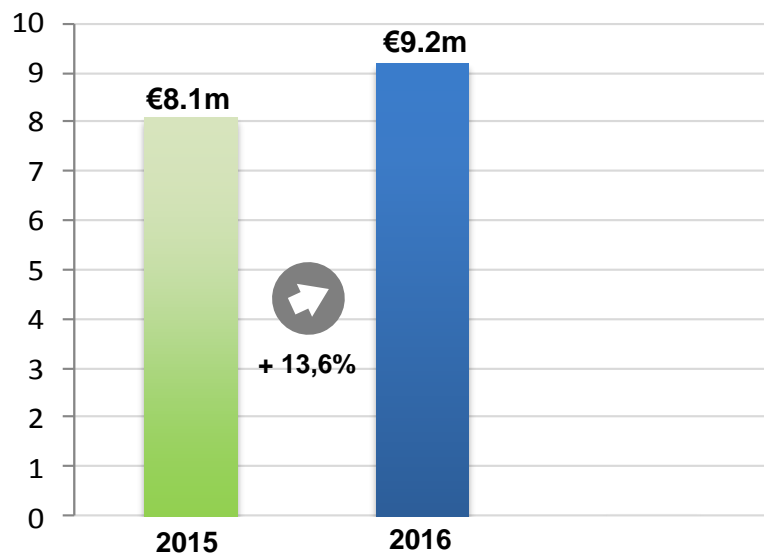
- Growth (2016 vs. 2015)



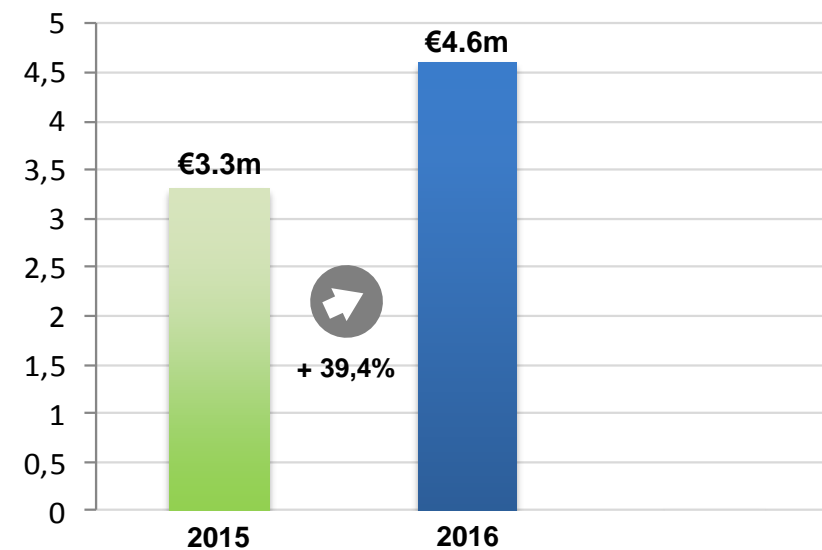
■ Constant structure

CONSOLIDATED FINANCIAL RESULTS AS AT 31 DECEMBER 2016

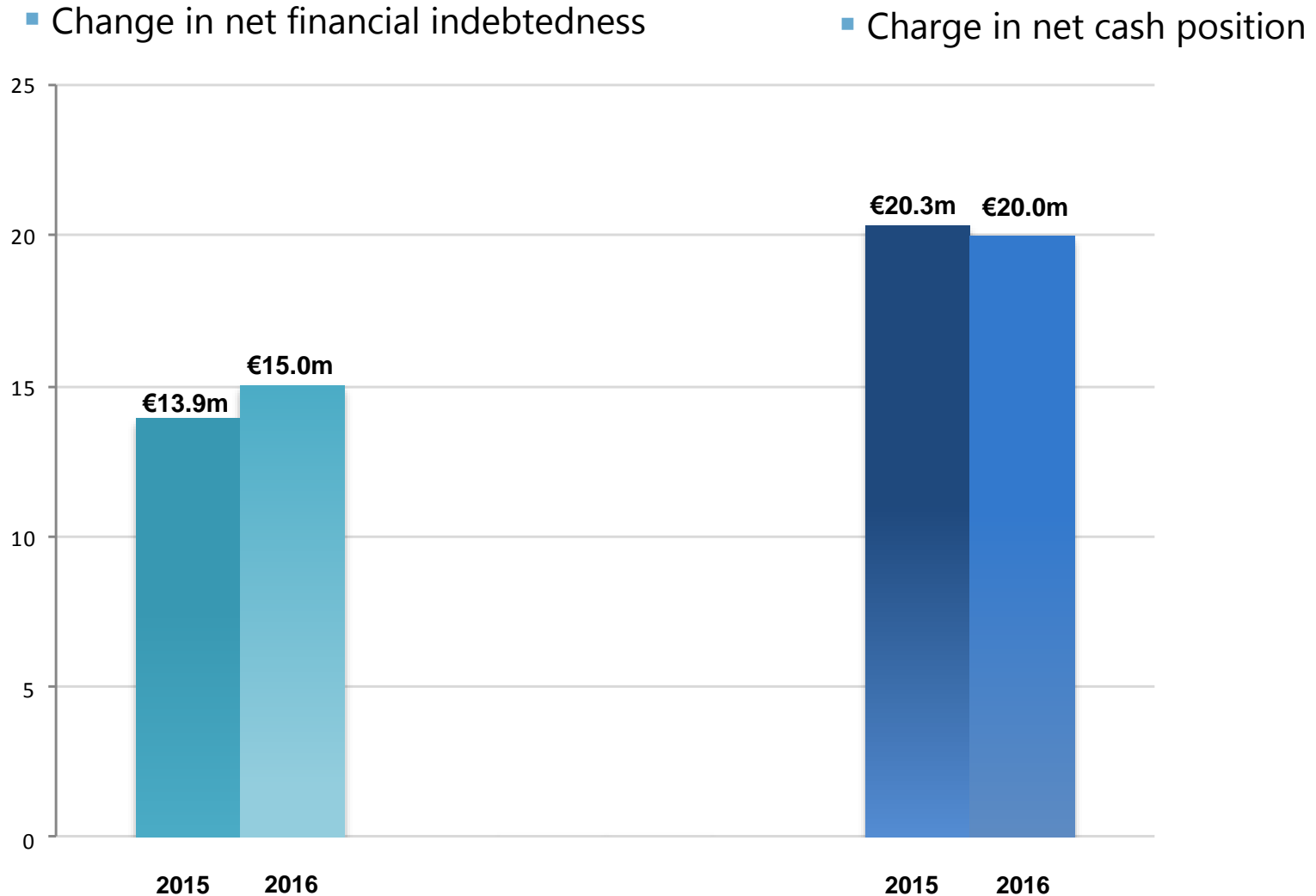
- Trend in Current Operating Income



- Trend in Net income



CONSOLIDATED FINANCIAL RESULTS AS AT 31 DECEMBER 2016



CONSOLIDATED FINANCIAL RESULTS AS AT 31 DECEMBER 2016

■ Income statement

(in €m)

	Dec. 2016	Dec. 2015
Revenue	227,9	201,9
Current Operating Income	9,2	8,1
Non-recurring items	(1,8)	(2,4)
Operating Profit	7,4	5,7
Financial Results	(0,7)	(0,6)
Taxes	(2,1)	(1,8)
Net Income (Group share)	4,6	3,3

CONSOLIDATED FINANCIAL RESULTS AS AT 31 DECEMBER 2016

- Operating Income by segment – Large Accounts

(in €m)	LA 2016	LA 2015
Revenue	180,4	155,0
Current Operating Income	5,0	4,2
Non-recurring items	(1,4)	(2,4)
Operating Income	3,6	1,8

CONSOLIDATED FINANCIAL RESULTS AS AT 31 DECEMBER 2016

- Operating Income by segment – Mid-Market

(in €m)	MM 2016	MM 2015
Revenue	47,5	47,0
Current Operating Income	4,2	3,9
Non-recurring items	(0,4)	(0,0)
Operating Income	3,8	3,9

CONSOLIDATED FINANCIAL RESULTS AS AT 31 DECEMBER 2016

■ Balance Sheet

ASSETS (in €m)	Dec. 2016	Dec. 2015	LIABILITIES (in €m)	Dec. 2016	Dec. 2015
Non-current assets	78,2	70,7	Equity	44,2	39,3
Current assets	97,0	88,2	Non-current liabilities	27,7	20,7
Cash	20,3	20,3	Current liabilities	123,5	119,1
Total	195,4	179,1	Total	195,4	179,1

CONSOLIDATED FINANCIAL RESULTS AS AT 31 DECEMBER 2016

■ Cash flow statement

(in €m)

	As at 31/12/16	As at 31/12/15
Cash (opening)	20,3	16,4
Cash generated by the activity	6,3	6,5
Investment operations	(5,7)	(2,1)
Financing operations	(1,0)	(0,5)
Exchange rate impact	0,0	0,0
Cash (at year end)	20,0	20,3



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