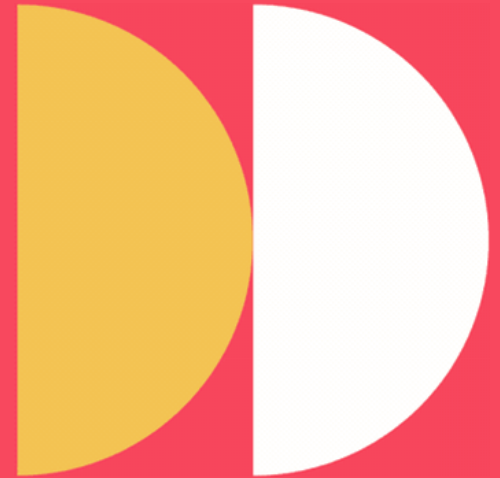


# Q3 2019 results

Analyst presentation



5 November 2019



# Disclaimer

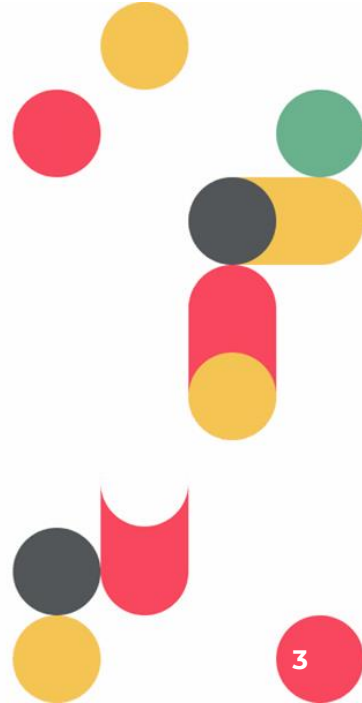
This presentation contains forward-looking statements that involve risks and uncertainties concerning the Group's expected growth and/or profitability in the future. Actual events or results may differ from those described in this document.

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).

# 1

## Key figures & facts



# Key figures & facts Q3 2019

**Growth  
Q3 2019**

**€182.1m**

**+17.3% total growth  
Of which +11.3%  
organically**

**Partners**

**Devoteam ICE became  
ServiceNow EMEA  
Outsourced Strategic  
Partner**

**DevOps academy on  
RedHat technologies  
launched in July 2019**

**Business  
updates  
Q3 2019**

**Utilisation rate back at  
84%**

**Recruitment of 170  
people**

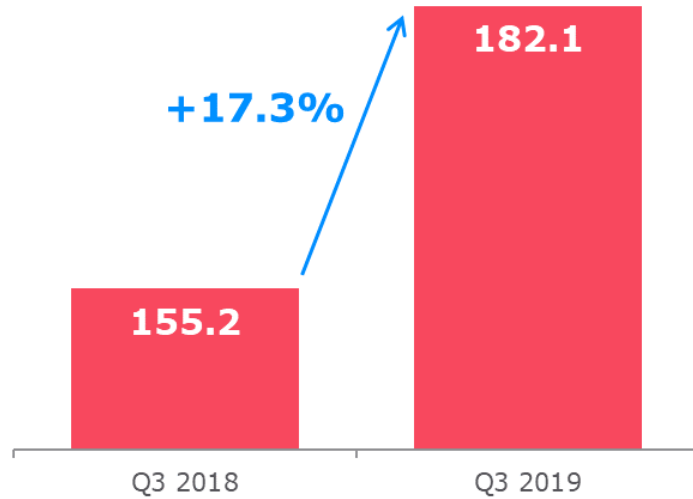
# 2

## Financial results



# Q3 2019 revenue

In millions of euros



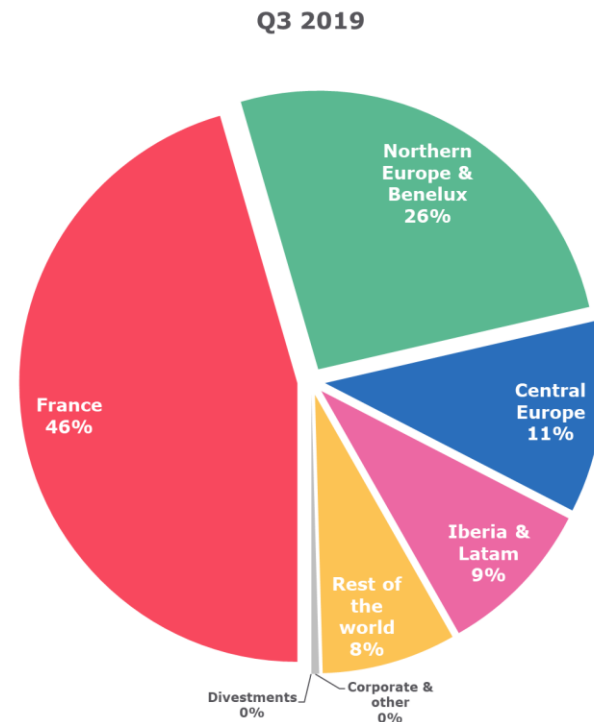
**+17.3% YoY growth of revenue**

- M&A impact: +5.8%
- FX impact: +0.2%

**+11.3% like-for-like variation**

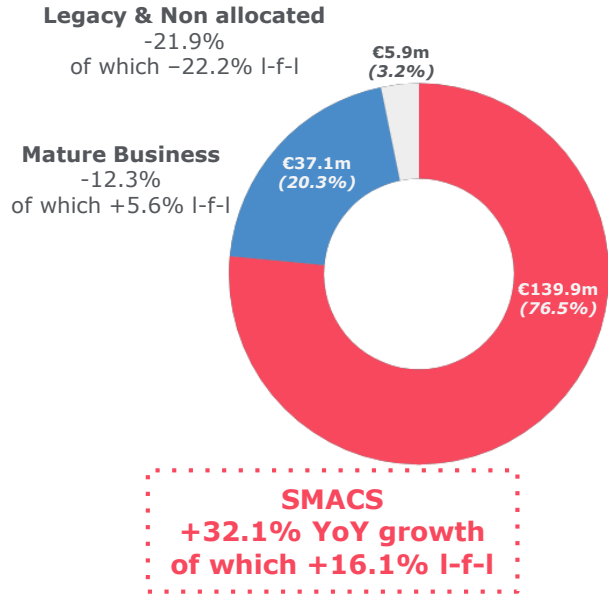
# Revenue by region

In millions of euros	Q3 2019	Q3 2018	9m 2019	9m 2018
<b>France</b>	<b>83.6</b>	<b>76.6</b>	<b>258.5</b>	<b>232.3</b>
Variation	9.1%		11.3%	
L-f-I variation	9.1%		11.3%	
<b>Northern Europe &amp; Benelux</b>	<b>47.6</b>	<b>35.7</b>	<b>147.3</b>	<b>113.7</b>
Variation	33.3%		29.6%	
L-f-I variation	15.8%		11.9%	
<b>Central Europe</b>	<b>20.5</b>	<b>14.8</b>	<b>60.8</b>	<b>39.8</b>
Variation	38.3%		52.7%	
L-f-I variation	6.7%		3.9%	
<b>Iberia &amp; Latam</b>	<b>16.9</b>	<b>10.5</b>	<b>50.2</b>	<b>26.4</b>
Variation	61.3%		89.9%	
L-f-I variation	10.6%		4.3%	
<b>Rest of the world</b>	<b>14.3</b>	<b>10.7</b>	<b>40.4</b>	<b>30.9</b>
Variation	33.2%		30.7%	
L-f-I variation	28.4%		26.4%	
<b>Corporate &amp; other</b>	<b>(0.8)</b>	<b>(0.5)</b>	<b>(2.7)</b>	<b>(2.2)</b>
<b>Divestments</b>	<b>-</b>	<b>7.4</b>	<b>0.7</b>	<b>20.7</b>
<b>Total</b>	<b>182.1</b>	<b>155.2</b>	<b>555.4</b>	<b>461.7</b>
Variation	17.3%		20.3%	
L-f-I variation	11.3%		10.8%	
Currency impact	0.2%		0.2%	
Perimeter impact	5.8%		9.2%	

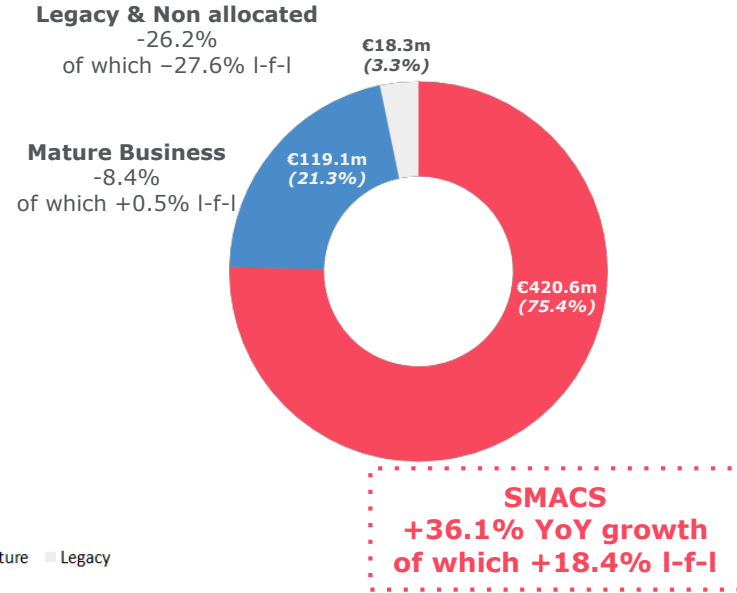


# Growth driven by SMACS

Q3 2019\*



9m 2019\*

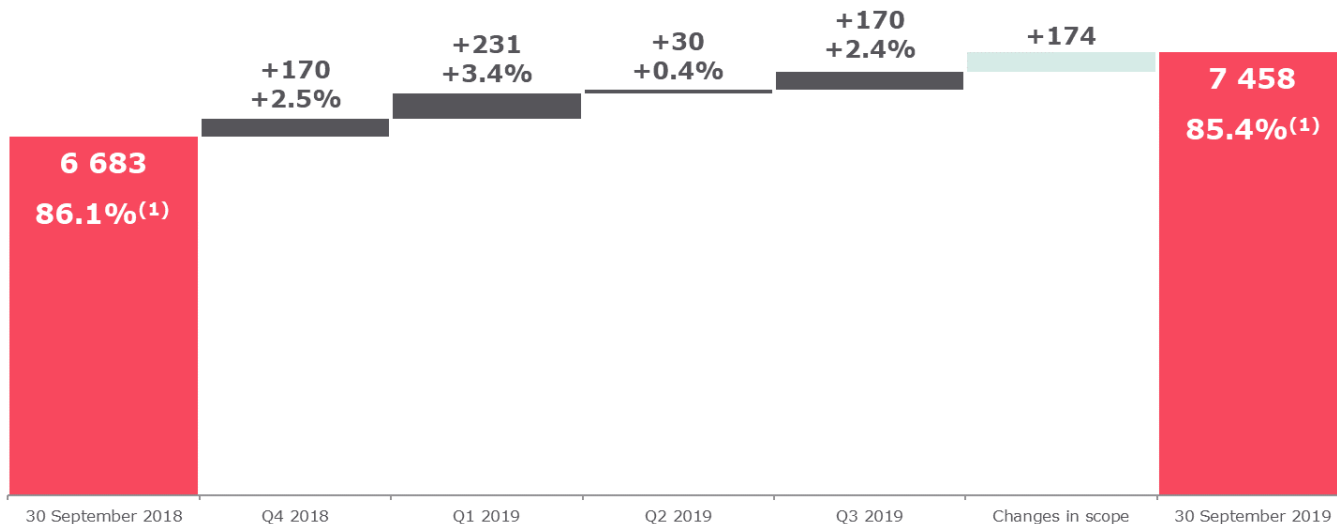


■ SMACS ■ Mature ■ Legacy

\*Revenue excluding "Corporate & Other" region, based on the most required skill of each project declared by the sales team, not audited



# Talent acquisition



Acquisition Q3 2019  
 Outfit +36p  
Acquisition Q2 2019  
 Avalon +33p  
Acquisition Q4 2018  
 Jayway +226p  
Divestment Q4 2018  
 Siticom GmbH -104p  
Divestment Q2 2019  
 NauOn -10p  
Divestment Q3 2019  
 DVT Poland -7p

Attrition rate of billable employees from 34% in Q2 2019 to 30% in Q3 2019

## Utilization rate of internal resources<sup>(2)</sup>

Q1 2018	Q2 2018	Q3 2018	Q4 2018	2018	Q1 2019	Q2 2019	Q3 2019
85.6%	84.4%	84.2%	82.7%	84.2%	82.3%	83.1%	84.0%

<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

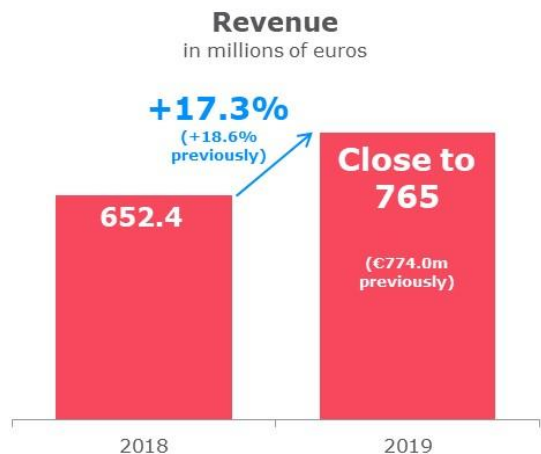
# 3

## Prospects



# 2019 guidance

Considering stable economic environment, exchange rates and accounting method



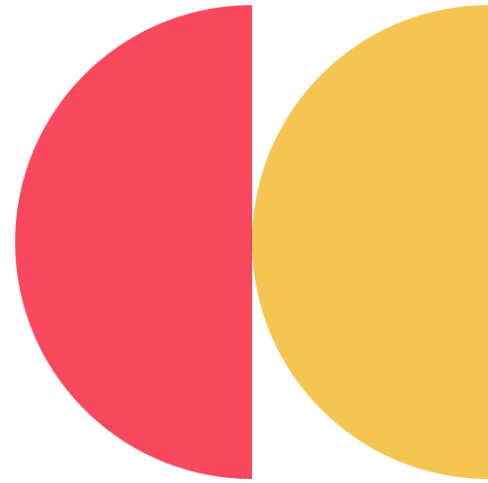
- **Organic growth close to 11%** (above +12% previously)
- M&A impact: +6.2 pt (+6.4 pt previously)

- **Operating margin around 10.3%**
- Restructuring costs expected around 0.5% of the revenue

IFRS 16 impact: not significant

# 4

## Appendix



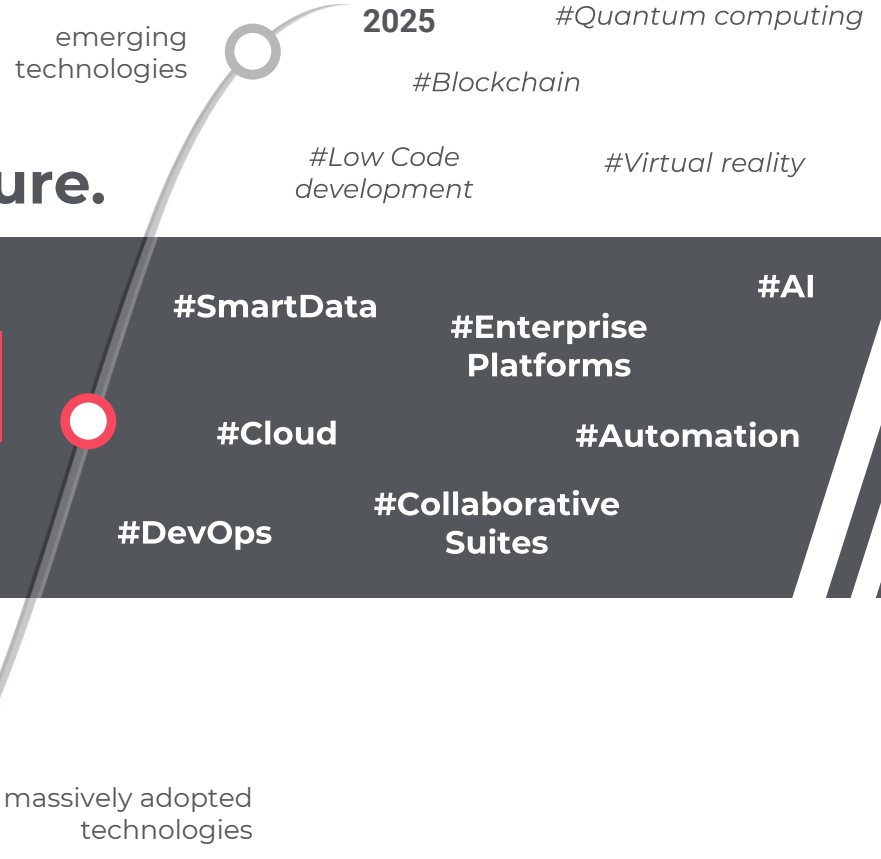
# With our learning and entrepreneurial culture.

## we are choosing our tech future.

maximising  
business  
value for  
customers.



technologies  
to be adopted  
at scale



# A seamless combination of experts communities.

## technology.

5,400  
Tech  
Experts

*Cloud Solutions &  
Infrastructures  
Security  
Applications Development*

## business.

600  
Smart-Business  
Consultants

*Business process optimisation  
Functional integration  
Business Solutions*

## products.

600  
Creative  
Technologists

*Services & Product Vision  
Experience Design  
Design driven Software dev*

## transformation.

600  
Management  
Consultants

*Strategy  
Transformation  
Change Management*

# To deliver an end to end value across 7 digital offers.

## Transformation Management



Agile IT



Digital  
Workplace



Cyber  
Security



Business  
Process  
Excellence



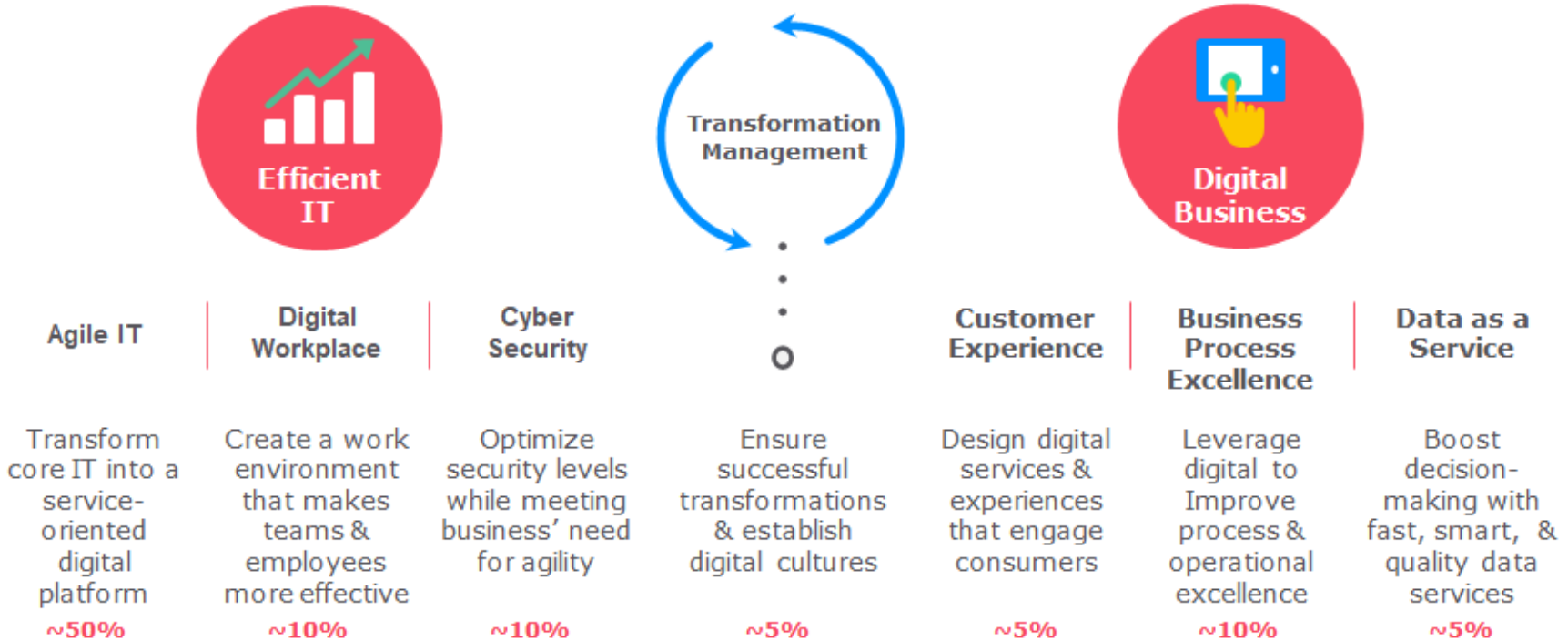
Data as  
a Service



Customer  
Experience



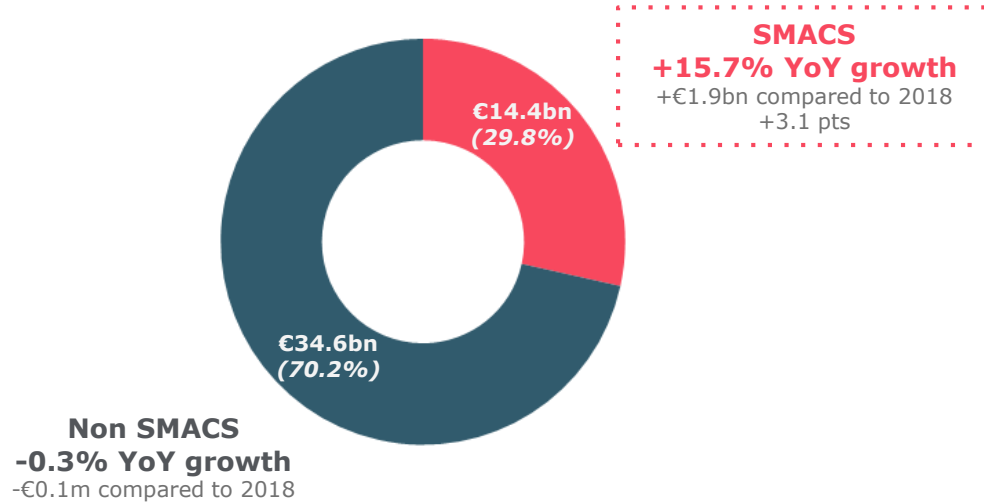
# We deliver Innovative Technology Consulting for Business, with a unique Transformation DNA



Other & Non allocated: ~5%



# SMACS transformation will drive the IT market growth in 2019



Source: Syntec, 2019



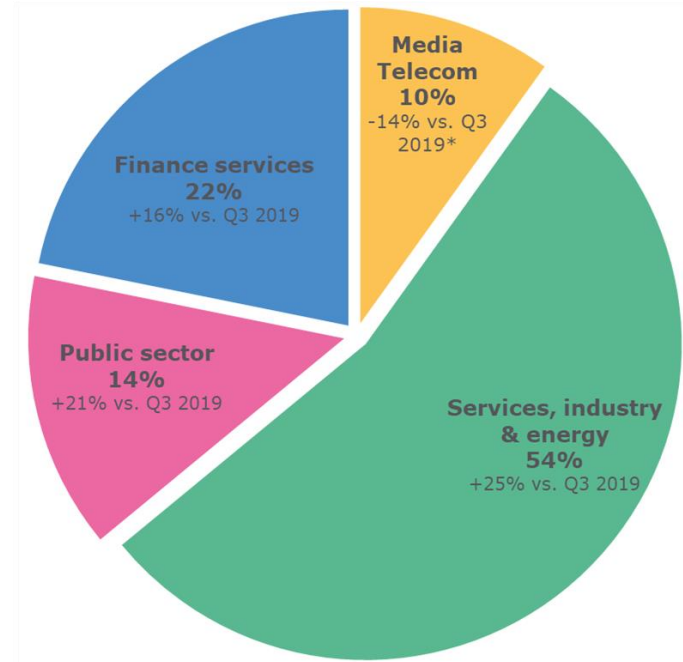
# Clients and verticals Q3 2019

## Top 3: 11% of the revenue

- BNP Paribas
- ENGIE
- Major French electricity provider

## Next 7: 16% of the revenue

- Société Générale
- Carrefour
- Crédit Agricole / Crédit Lyonnais
- SNCF
- Airbus Group
- AXA
- Daimler



\*+15% excluding Siticom GmbH deconsolidated on 31 December 2018

# Capital structure

	31/03/2019			
	Number of shares	% of capital	Number of voting rights	% of voting rights
Executive Board <sup>(1)</sup>	1,752,336	21.0%	3,415,803	32.5%
Allianz	552,189	6.6%	552,189	5.3%
Tabag <sup>(2)</sup>	413,748	5.0%	827,496	7.9%
Sycomore AM	231,130	2.8%	231,130	2.2%
Financière Arbevel	176,020	2.1%	176,020	1.7%
Owned shares	144,632	1.7%	-	-
Other public	5,062,352	60.8%	5,307,886	50.5%
Total	8,332,407	100.0%	10,510,524	100.0%

<sup>(1)</sup>And their family, acting in concert.

<sup>(2)</sup>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:** Denmark, United Kingdom, Luxembourg, Netherlands, Norway and Sweden. It also includes TMNS in Germany and in Serbia, Jayway in the United States, Avalon Solutions in Poland, in Singapore and in the USA

**Central Europe:** Austria, Switzerland, Czech Republic, Germany and Slovakia

**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 regions, and discontinued operations

**Divestments:** in 2018, the region includes Shift deconsolidated from 1 September 2018 and Siticom GmbH deconsolidated from 31 December 2018. In 2019, it includes NauOn (Bold) deconsolidated from 30 June 2019, and Devoteam Poland deconsolidated from 1 July 2019

**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 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. For comparability purposes, from 1 January 2019, the operating cash flow is restated of IFRS 16 "leases", to maintain the lease payments in operating cash flow

# contact us.

## Executive Board

Stanislas de Bentzmann  
Co-CEO

[stanislas.de.bentzmann@devoteam.com](mailto:stanislas.de.bentzmann@devoteam.com)

## Financial Communication

Vivien Ravy  
Group controlling & investor relations director  
[vivien.ravy@devoteam.com](mailto:vivien.ravy@devoteam.com)

Perrine Angibault  
Group reporting & investor relations manager  
[perrine.angibault@devoteam.com](mailto:perrine.angibault@devoteam.com)

## Press Contact

Le Public Système  
Céline Da Silva  
[cdasilva@lepublicsysteme.fr](mailto:cdasilva@lepublicsysteme.fr)  
+33 6 16 79 29 32