

Paris, May 12th, 2015

Q1 2015 Revenues standing at € 115.5 million Organic growth of 8.2% when excluding the impact of the discontinued outsourcing business in France

Total revenue increased 5.9% in Q1 2015
Increased revenue and margin guidance for FY 2015

In million of euros	Q1 2015	Q1 2014
France	51.1	45.4
Variation	12.6%	
L-f-I variation ⁽¹⁾	-0.4%	
L-f-I variation ⁽¹⁾ excl. DVO ⁽³⁾	10.2%	
Rest of the world	64.4	63.6
Variation	1.2%	
L-f-I variation ⁽¹⁾	7.0%	
L-f-I variation ⁽¹⁾ excl. Between ⁽²⁾	4.2%	
Total	115.5	109.0
Variation	5.9%	
L-f-I variation ⁽¹⁾	3.9%	
L-f-I variation ⁽¹⁾ excl. Between ⁽²⁾	2.1%	
L-f-I variation ⁽¹⁾ excl. DVO ⁽³⁾	8.2%	

(1) At constant perimeter and exchange rates.

(2) "Between", a subsidiary operating in the Netherlands on the market of sourcing of IT professionals, has a very volatile contribution to revenue since, depending on the terms and conditions of the contract they sign with their subcontractors and their client, revenue consolidated at Group level may be based on the contract's gross margin or on the full amount invoiced to the final customer. As a consequence, the Group decided to isolate this subsidiary when calculating the growth rate of consolidated revenues.

(3) Outsourcing business

Devoteam (NYSE Euronext Paris: DVT) reported revenues for the first quarter of 2015 of € 115.5 million, a 8.2% increase compared to the same period of 2014, at constant exchange rates and perimeter, when excluding the impact of the outsourcing business in France. The higher than expected growth of the first quarter is confirming the success of the Group's shift towards the Digital.

Consolidated revenues increased 5.9% compared to the first quarter of 2014, including a positive impact of exchange rates of 1.3%. Changes in the consolidation perimeter accounted for an additional 0.7% of growth. The 2014 acquisitions in Cloud and Mobility offers contributed for € 5.9 million of consolidated revenues over Q1 2015 while non-core divested activities amounted to € 5.1 million of revenues over Q1 2014.

Growth by Region

The Region structure has been modified to reflect the Group's internal organization. Pro-forma information is available in the appendix of this press release.

In million of euros	Q1 2015	Q1 2014
New Mediterranean (Solutions & Consulting France, Tunisia)	37.6	36.2
Variation	3.8%	
L-f-I variation ⁽¹⁾	3.8%	
Northern Europe & Belux (United Kingdom, Norway, Denmark, Belgium & Luxemburg)	26.2	25.7
Variation	1.9%	
L-f-I variation ⁽¹⁾	1.7%	
Central Europe (Germany, Switzerland, Czech Republic, Poland & Austria)	13.0	11.4
Variation	14.6%	
L-f-I variation ⁽¹⁾	13.0%	
Single entities (S'team, Middle East, Netherlands excl. Between & Spain)	16.6	13.1
Variation	26.9%	
L-f-I variation ⁽¹⁾	19.4%	
Others	22.0⁽²⁾	17.5
Variation	25.6%	
L-f-I variation ⁽¹⁾	-9.0%	
L-f-I variation ⁽¹⁾ excl. Between	-34.3%	
L-f-I variation ⁽¹⁾ excl. DVO	21.3%	
Divestments ⁽³⁾	-	5.1
Total	115.5	109.0
Variation	5.9%	
L-f-I variation ⁽¹⁾	3.9%	
L-f-I variation ⁽¹⁾ excl. Between	2.1%	
L-f-I variation ⁽¹⁾ excl. DVO	8.2%	

(1) At constant perimeter and exchange rates.

(2) Including € 5.9 million of revenues from Axance and gPartner

(3) Divestments include the subsidiary AuSystems Italy, CRM Poland and Devoteam Sweden.

At constant exchange rates and perimeter, and excluding the impact of the outsourcing business in France, all regions grew in the first quarter of 2015.

Revenues of the region **"New Mediterranean"** increased by 3.8% at constant exchange rates and perimeter, driven by the dynamics of the consulting business and its Digital Transformation offer. The region also benefited from the growth of the newly launched services aiming at enhancing networks for the Cloud.

"Northern Europe & Belux" benefited from a good dynamic in Belgium and Luxemburg, in particular through the launch of a private cloud offer targeting customers in Luxemburg who are highly sensitive to data security. The performances of the Scandinavian and British entities are more contrasted but the overall regional growth still stood at 1.7% on a like-for-like basis.



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Revenues in **“Central Europe”** increased by 13.0% on a like-for-like basis compared to the first quarter of 2014. Germany, Austria and Czech Republic continued to benefit, in line with the trend of the second half of 2014, from the successes of offers such as Data & Information Management, IT Security and Network Transformation, particularly in the automotive and telecom sectors in Germany. In Poland, revenues decreased by 38%, in line with the Group’s decision to streamline and reshape the Polish business in order to reduce the losses.

The commercial success of our entities Devoteam Middle East and S’tteam (digital project management in France) were the main drivers of the **“Single Entities”** segment, for which revenues increased by almost 20% on a like-for-like basis compared with the first quarter of 2014.

Finally, revenues of newly consolidated entities (operating in the field of design of mobile services and around the Google partnership), as well as the development of the broker business, notably in the Netherlands, explained the 25.6% growth of the **“Others”** segment compared to the same period last year.

Headcount and utilization rate

Excluding the impact of the outsourcing business in France, the Group’s total staff increased by 59 people over Q1 2015. As of March 31st, 2015, Devoteam employed a workforce of 3.573 people compared to 3.653 at the end of December 2014.

As of March 31st, 2015, the ratio of billable headcount to total staff stood at 84.6%** , slightly decreasing from 84.9%** as of December 31st, 2014. The decrease is fully explained by the loss of the billable employees of DVO.

During the first quarter, the Group showed an improvement in utilization rate of internal resources¹ excluding divestments, at 82.9% compared to 82.1% in the same period in 2014.

Utilization rate of internal resources, excluding divested entities*					
Q1 2014	Q2 2014	Q3 2014	Q4 2014	FY 2014	Q1 2015
82.1%	83.5%	84.3%	83.7%	83.4%	82.9%

* For 2014, Divestments include the subsidiary AuSystems Italy, CRM Poland and Devoteam AB Sweden

** Please note that the December billable ratio has been restated to take into consideration that the Group internal IT team, previously accounted for as “billable employees” when outsourced to DVO are now accounted for as “non-billable” employees.

2015 Outlook

Considering the global Group dynamic of the first quarter, Devoteam has increased its 2015 consolidated revenue and operating margin targets. Revenues for 2015 should be around € 450 million, with an operating margin expected between 6.0% and 6.5% of consolidated revenues.

2015 Financial calendar and press releases

Press release			Shareholders’ meeting	Dividend payment
Results H1	Revenue Q3	Results FY		
September 7th 2015	November 10th 2015	To be announced	June 19th 2015	July 2nd 2015

¹ Utilization rate measures the percentage of working hours (excluding paid holidays) of billable employees that were billed to a client

Appendix

Pro forma information on revenues

In million of euros	Q1 2014 Pro-forma*	Q1 2014 published**
New Mediterranean	36,2	37,6
Northern Europe & Belux***	25,7	13,9
Central Europe	11,4	11,4
Middle East & Turkey	-	4,9
Single entities	13,1	14,2
Others	17,5	21,9
Divestments	5,1	5,1

* reclassification of Devoteam Morocco from the segment «New Mediterranean» to the segment «Others»
reclassification of the entities Devoteam Belgium and Devoteam Luxemburg from the «Single entities» segment to the segment «Northern Europe & Belux»
reclassification of Devoteam Middle East from the segment «Middle East & Turkey» to the segment «Single entities»
reclassification of Devoteam Turkey from the segment «Middle East & Turkey» to the segment «Others»
reclassification of S'Team from the segment «Others» to the segment «Single entities»

** In the FY 2014 press release

*** «Northern Europe» in the FY 2014 press release

About Devoteam

Created in 1995, Devoteam (ISIN: FR 0000073793. Reuters: DVTM.PA. Bloomberg: DEVO FP) is a European leader in consulting and cloud solutions, and puts the new digital practices at the heart of the business transformation of its clients.

In 2014, Devoteam achieved revenues of € 443 million and an operating margin of 5.0%. The Group has a workforce of 3 600 employees in 20 countries across Europe North Africa and Middle East.

ISIN : FR 0000073793, Reuters : DVTM.PA, Bloomberg : DEVO FP

<http://www.devoteam.com>

Executive Board: Stanislas de Bentzmann, Co-CEO, stanislas.de.bentzmann@devoteam.com

Financial communication : Evelyne Broisin, evelyne.broisin@devoteam.com & Laurent Lecerf, laurent.lecerf@devoteam.com

Press: Julie Dramard, jdramard@lepublicsysteme.fr & Jennifer Loison, jloison@lepublicsysteme.fr