

Solucom

Quarterly financial information at 30 June 2012

## Solucom

Public Limited Company with a Board of Directors and a Supervisory Board

With a capital of €496,688.20

Registered Office: Tour Franklin – 100/101 Terrasse Boieldieu

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NANTERRE COMMERCIAL REGISTRY 377 550249

This document contains quarterly financial information, in the meaning of article L.451-1-2 IV of the Monetary and Financial Code, in respect of the first quarter of Solucom's 2012/13 financial year.

### 1 - Turnover for the past quarter

In €M	2012/13	2011/12	Change
Turnover 1 <sup>st</sup> Quarter	30,8	26,3	+ 17%

In Q1 of its 2012/13 financial year (1 April 2012 - 31 March 2013) Solucom's consolidated turnover was €30.8m, up 17% as compared with Q1 2011/12.

On the same scope, the firm's quarterly organic growth was 5%. With the inclusion in the consolidation of Alturia Consulting and Eveho, since 1 April 2012, total growth came to 17%.

### 2 - General description of the financial situation and the quarterly results

Consultants' activity rate was 81% for Q1 2012/13, including Alturia Consulting and Eveho. On the same scope, it was 83%, in line with the rate for the whole of the 2011/12 financial year.

In the past quarter sales prices confirmed the continuing pressure on prices. On the same scope, the daily average rate was slightly down, a development in line with what is expected for the entire period (0% to -1%). This drop was, however, compensated by higher average daily rates at Alturia Consulting and Eveho.

The 1<sup>st</sup> quarter of 2012/13 was marked by implementation of the integration process at Alturia Consulting and Eveho.

The priority given to combining sales and marketing activities has already facilitated the rapid appearance of the first sales synergies (Allianz, Covéa, Klesia, Malakoff Médéric, MMA, Pôle Emploi), which are testimony to the good match in know-how.

An easing in the market continued in human resources. The firm posted a staff turnover rate that was stable on an annual basis as compared with the previous period, and recruiting was in line with the annual road map.

As at 30 June 2012, Solucom staff numbered 1,088, including Alturia Consulting and Eveho, as against 992 at 31 March 2012.

The order book held up well over the quarter. It stood at 3.8 months at end of quarter, against 4.0 months as at 31 March 2012.

The firm's financial condition declined at 30 June 2012 compared to 31 March 2012, largely as a result of disbursements for the acquisitions of Alturia Consulting and Eveho. Solucom maintains nevertheless a positive net cash position and has comfortable leeway allowing it, if necessary, to seize new opportunities.

As expected, the 2012/13 financial year started in a difficult market environment, marked by a wait and see attitude among major accounts and pressure on prices. Sales activity remains more than ever the number 1 challenge for the coming months.

Despite this difficult sales context, Solucom is continuing its key growth actions, with nonetheless a slight adjustment in its annual recruitment plan. More generally, the firm has remained vigilant about developments in its advanced indicators.

At the end of Q1 2012/13 Solucom confirmed its annual financial targets: to achieve overall growth in excess of 13% with positive annual organic growth and double digit EBIT.

### 3 - Explanation of major transactions and events during the quarter

#### **Takeover of Alturia Consulting**

On 2 April 2012, Solucom took 100% control of Alturia Consulting. The acquisition was entirely funded in cash. The company will be consolidated as of 1 April 2012 in Solucom's financial statements, which means the entire 2012/13 financial year.

Alturia Consulting conducts business in operational strategy, organisation, and management consulting, specialising in the insurance and social protection industry, as well as in project organisation and steering. Alturia Consulting was founded over 20 years ago and has a staff of 80. In 2011 it posted turnover in excess of €9.0m.

#### **Takeover of Eveho**

On 6 April 2012, Solucom took 100% control of the Eveho group, which is comprised of the company Eveho Conseil and its two subsidiaries, Eveho Actuariat and Eveho Services. The acquisition was entirely funded in cash. Eveho will be consolidated as of 1 April 2012 in Solucom's financial statements, which means the entire 2012/13 financial year.

Eveho conducts business in organisation and management consulting, specialising in the insurance industry. Founded in 2005 and comprising more than 30 staff, Eveho achieved sales revenues of over €3.5m in 2011.