

Press release
29th January 2014

ANNUAL TURNOVER OF 2013: € 137.7 MILLION ORGANIC GROWTH OF 7.5%

Confirmation of the objective of doubling the adjusted EBITDA margin in 2013

Paris (France), 29th January 2014 – Valtech S.A. [NYSE Euronext Paris: FR0011505163 - LTE], first independent European agency in digital and technology marketing, published its consolidated turnover for the fiscal year 2013 (1st January – 31th December). During the last quarter, Valtech has completed the disposal of two non-strategic businesses : sale of the 50.8% stake in the South Korean joint-venture Valtech Co. Ltd, which was consolidated by the equity method, and disposal of the telecom service business in the United States as of November 1, 2013.

In M€ - Unaudited consolidated data	2013	2012	Change	Change at constant exchange rates	Change at constant exchange rates and scope ⁽¹⁾
Turnover	137.7	133.7	+ 2.9%	+ 4.5%	+ 7.5%

(1) Excluding the telecom service business in the United States disposed in Q4 2013 (€ 0.8 million in 2012) and the non-strategic partnership contract with SAP disposed in October 2012 (€ 2.8 million in 2012)

MAIN COMMENTS

In the fourth quarter of 2013, Valtech achieved a turnover of € 34.3 million, down by 4.5%. Adjusted for changes in exchange rates and scope, organic growth was 0.4% over the period.

For fiscal year 2013, Valtech's consolidated turnover amounted to € 137.7 million, consistent with the objective of an annual turnover higher than € 136 million, up by 2.9%. At constant scope and exchange rates, organic growth stood at 7.5%.

Sebastian Lombardo, President and CEO, said:

"In the 2nd half of 2013, Valtech suffered from a contrasting geographic situation, with some areas hit by the delayed implementation of projects at the end of the year or postponement to 2014. Nevertheless, throughout the year, Valtech has recorded a strong level of organic growth while the transformation of the business model has accelerated with a consequent lengthening of sales cycles.

Driven by this transformation, the 2013 annual results will be marked by a significant improvement in operating profitability, with a doubling of the adjusted EBITDA margin compared to 2012, more than 4% in accordance with the stated objective.

The outlook for the digital marketing industry and our position as a recognized "full service" agency providing digital and technological transformation services to major international companies allow us to approach 2014 with strong ambitions. The 2014 financial targets, which will be announced during the publication of the 2013 annual results in mid-March, testify to the vitality of our development in 2014 and a further improvement in the profitability of our operations."

BUSINESS BY REGIONS

Regions	Turnover (in M€ - Unaudited data)				
	2013	2012	Change	Change at constant exchange rates	Change at constant exchange rates and scope ⁽¹⁾
Northern Europe	65.1	57.8	+ 12.6%	+ 13.2%	+ 13.2%
United States	36.1	38.0	-5.0%	-1.9%	+ 8.8%
Southern Europe	36.3	35.2	+ 2.9%	+ 2.9%	+ 2.9%
Rest of the world	10.2	10.9	-6.2%	+ 6.4%	+ 6.4%
Intragroup eliminations	(10.0)	(8.3)	ns	ns	ns
Total	137.7	133.7	+ 2.9%	+ 4.5%	+ 7.5%

(1) Excluding the telecom service business in the United States disposed in Q4 2013 (€ 0.8 million in 2012) and the non-strategic partnership contract with SAP disposed in October 2012 (€ 2.8 million in 2012)

Northern Europe

Despite a slight slowdown in H2 as a result of multiple project delays (UK and Denmark) and difficulties in recruitment to meet demand (Germany and Sweden), this area has shown a sustained annual business growth of 13.2%.

While the UK has returned to growth in the 4th quarter, Northern Europe approaches 2014 with a trajectory of growth, driven by the favourable business development with major customers and the continued digital transformation of the group.

United States

Across the Atlantic, the fourth quarter marked a rebound in business after a third quarter hit by the postponement of several contracts. Setting aside the non-strategic partnership contract with SAP disposed at the end of 2012 (€ 2.8 million turnover in 2012), the United States thus experienced an annual growth of 8.8%.

The trend is expected to accelerate in the United States in 2014.

Southern Europe

In Southern Europe, revenue was slightly down by 2.8% in the fourth quarter, reflecting a greater selectivity for the benefit of business profitability. The political, economic and social environment in France is much too unstable to have the advantage of visibility. The group continues to be extremely cautious about investments and development of the region in 2014.

Rest of the world

In the rest of the world, business amounted to € 10.2 million in 2013, an annual increase of 6.4%. The growth of the area remained fuelled by the development of technological platforms by the Indian teams on behalf of other subsidiaries.

FINANCIAL CALENDAR

- The 2013 annual results (ending 31st December 2013) will be published on Tuesday 18th March 2014, after market close.
- The turnover of Q1 2014 (January - March) will be published on Tuesday 29th April 2014, after market close.
- The turnover of Q2 2014 (April - June) will be published on Wednesday 16th July 2014, after market close.

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ABOUT VALTECH

Valtech [NYSE Euronext Paris: FR0011505163 - LTE] is a digital marketing agency, pioneer in technologies with a presence in seven countries (France, UK, Germany, Sweden, Denmark, USA, India) and approximately 1,500 employees. As a "digital full service" player Valtech knows how to add value to its customers at all stages of a digital project: strategy consulting, design, graphic design, development and optimization of business-critical digital platforms. With its renowned commitment to innovation and agility, Valtech helps brands to develop and grow their business with web technologies while optimizing Time-to-Market and return on investment.

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