

Press release  
15 October 2014

## 19.8% INCREASE IN REVENUE IN Q3 2014

### Upward revision of annual financial goals

**Paris (France) 15 October 2014** – Valtech SA [Euronext Paris: FR0011505163 - LTE], first independent European agency in digital and technology marketing, published its consolidated revenue for the 3rd quarter of fiscal year 2014 (July 1st - September 30th). The quarterly financial information is available on the [Valtech](#) website ('Investors' space, 'Financial information' tab).

Consolidated revenue (in M€ - Unaudited data)	2014	2013	Change	Change at constant exchange rate	Change at constant exchange rate and scope <sup>(1)</sup>
1 <sup>st</sup> quarter	<b>36.7</b>	35.3	+4.0%	+5.9%	+8.1%
2 <sup>nd</sup> quarter	<b>38.2</b>	36.5	+4.8%	+7.2%	+9.7%
3 <sup>rd</sup> quarter	<b>37.8</b>	31.5	+19.8%	+20.7%	+20.4%
<b>Total 9 months</b>	<b>112.9</b>	103.4	+9.2%	+10.9%	+12.5%

(1) Including Neon Stingray, which was acquired on August 1, 2014, and excluding the telecom services business in the United States sold in Q4 2013 (€ 2.2 million in revenue in the first nine months of 2013).

### MAIN COMMENTS

In Q3 2014, Valtech's consolidated turnover stood at € 37.8 million, up by 19.8% compared to Q3 2013. At constant scope and exchange rates, Valtech has recorded a quarterly growth of 20.4%. After the first nine months of the year, Valtech has achieved a turnover of € 112.9 million, up by 9.2%, and 12.5% at constant scope and exchange rates.

Sebastian Lombardo, CEO of Valtech, said:

*"Valtech has achieved a solid third quarter in 2014, a significant acceleration compared to the first half of our fiscal year. This performance is the result of strong growth of over 50% of our business in Northern Europe that continues to drive the group's growth, the pursuit of growth in our digital businesses in the United States and the resilience of our operations in the Rest of the World.*

*Given this performance and our outlook for the remainder of the year, we are raising our financial targets for the year 2014: revenue now expected to be at the top of the 145 M€ to 150 M€ range, excluding acquisitions, and an adjusted EBITDA margin above 6%, against 5.5% initially."*

### BUSINESS BY REGIONS

Regions	Consolidated revenue (in M€ - Unaudited data)				
	Q3 2014	Q3 2013	Change	Change at constant exchange rate	Change at constant exchange rate and scope <sup>(1)</sup>
Northern Europe	<b>22.9</b>	14.7	+55.6%	+56.3%	+52.6%
United States	<b>7.5</b>	9.0	-17.3%	-15.0%	-8.4%
Southern Europe	<b>7.2</b>	7.9	-9.1%	-9.1%	-9.1%
Rest of the world	<b>2.8</b>	2.2	+28.2%	+24.4%	+6.1%
Intragroup eliminations	<b>-2.6</b>	-2.3	na	na	na
<b>Valtech Total</b>	<b>37.8</b>	31.5	+19.8%	+20.7%	+20.4%

(1) Including Neon Stingray, which was acquired on August 1, 2014, and excluding the telecom services business in the United States sold in Q4 2013 (€ 0.7 million in revenue in Q3 2013).

### Northern Europe

The Northern European region remained the main engine of the group's growth in Q3 2014. The revenue amounted to € 22.9 million, up by 55.6%, including the Swedish operations of Neon Stingray since August 1. At constant scope and exchange rates, there was a sustained growth of business by 52.6%, driven by the spectacular growth in the UK, where turnover has increased more than threefold from one year to the next, and to a lesser extent by the still sustained growth of the German and Danish subsidiaries.

After the first nine months of 2014, Northern Europe shows dynamic growth of 42.5%, and 43.3% at constant scope and exchange rates.

### United States

Overseas, Valtech's revenue amounted to € 7.5 million, a change of -17.3%. Excluding the impact of foreign exchange and the sale of the telecom services business, business was down by 8.4%, solely due to the sharp decline in the historical IT services business, non-strategic for the group. Conversely, the digital business continued to record strong growth, with revenue doubling over the past quarter, at constant exchange rates.

Over the first nine months of the fiscal year, revenue registered a decline of 13.6% at constant scope and exchange rates.

### Southern Europe

The Southern European region recorded a turnover of € 7.2 million, down by 9.1% compared to Q3 2013, against a decline of 19% in the first half. In late September, the decline in business is thus 16.1% compared to the same period last year. Valtech confirms not anticipating a return to growth in France by the end of 2014.

### Rest of the world

In the Rest of the World, the revenue amounted to € 2.8 million in Q3, up by 28.2%, including the Australian operations of Neon Stingray since August 1. At constant scope and exchange rates, sales rose by 6.1% in the quarter. In the first nine months of the fiscal year, business in the region has declined by 4.3% at constant scope and exchange rates.

## FINANCIAL SITUATION

Over the last quarter, the financial situation remained strong despite an increase of the working capital requirements in Northern Europe due to the growth of activity in the area and the disbursement linked to the acquisition of Neon Stringay. As of September 30<sup>th</sup> 2014, the group had a net cash position of € 3.8 million and borrowings amounted to € 5.9 million (as of December 31<sup>st</sup> 2013, the group had a net cash position of € 4.1 million and borrowings amounted to € 8.4 million).

As part of its goal to continue its development, Valtech has announced on September 1<sup>st</sup> 2014, a project of capital increase in the amount of 27 M€ reserved to Siegco ([click here to read the press release of the 1<sup>st</sup> September 2014](#)). The capital increase will be carried out at a price of 4.30€ per share which is equal to the average share price during 3 months and during the 6 months preceding the announcement. The capital increase will be submitted to the shareholders for approval at the extraordinary general meeting on Wednesday 22<sup>nd</sup> of October 2014. It will also be submitted to the Autorité des marchés financiers's approval (visa).

## FINANCIAL CALENDAR

- Presentation of the Strategic Plan and the 2017 outlook, on Tuesday, Oct 21, 2014, at 5.30 pm.
- Extraordinary General Meeting of Valtech shareholders on Wednesday, October 22, 2014 at 10 am at Valtech's HQ.
- Publication of the 2014 annual revenues, on Wednesday, Jan 28, 2015, after market close.

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## ABOUT VALTECH

Valtech [Euronext Paris: FR0011505163 -LTE] is a digital marketing agency, pioneer in technologies with a presence in nine countries (France, UK, Germany, Sweden, Denmark, USA, India, Australia and Singapore) and 1,500 employees. As a "full service" digital agency, Valtech brings value to its customers at all aspects of their digital activities: Strategy consulting, service design, technology services, and optimization of business-critical digital platforms for multichannel e-commerce and marketing. With its renowned commitment to innovation and agility, Valtech helps brands to develop and grow their business across their digital touch points to the market, while optimizing time-to-Market and return on investment.

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