

Strong revenue growth for the first half of FY 2016-17

Change in revenues for each quarter

The GECI International Group (“the Group”) maintained its strong rate of development over the second quarter of FY 2016-17. Revenues for the period climbed to €6 million, up +69% from €3.55 million for the second quarter of the previous year.

For the first six months of the year, revenues came to €11.50 million, with 191% year-on-year growth.

€M (unaudited consolidated data)	FY 2016-17	FY 2015-16	Change
1st quarter (April-June)	5.50	0.40	X13
2nd quarter (July-September)	6.0	3.55	+69%
Half-year revenues	11.50	3.95	+191%

Strong development driven by external growth

The growth in business notably reflects the EOLEN group’s consolidation over six months, compared with two months last year. The performances achieved by this subsidiary highlight the relevance of its repositioning, supported by the strengthening of its recruitments and sales teams, as well as the added value delivered through its services.

Since the end of June 2016, growth has been supported by the consolidation of ETUD Integral, specialized in design, engineering and prototypes for the automotive and transport sectors in particular. Part of the “Engineering” business line, this company contributed €0.99 million to consolidated half-year revenues.

In the second quarter, the Group embarked on an operational reorganization of this new subsidiary, further strengthening its commercial resources, its management and control systems, as well as its quality approach with a view to achieving ISO 9001 certification in 2017.

Alongside these actions, the range has been repositioned around three core business lines:

- i/ Consulting and expertise for the automotive and rail sectors,
- ii/ Fixed-price engineering missions,
- iii/ Development of urban mobility and e-mobility solutions.

At September 30, 2016, the Group had a total of 448 staff, compared with 352 one year earlier.

Change in half-year revenues for each business

Business line	First half (April-September 2016)		First half (April-September 2015)		Change (%)
	€M	% of rev	€M	% of rev	
Engineering	2.54	22.1%	0.93	23.7%	+ 171%
Finance	2.97	25.8%	1.05	26.5%	+ 183%
IT & Telecoms	5.93	51.6%	1.96	49.6%	+ 202%
Holding	0.06	0.5%	0.01	0.2%	n/s
Half-year revenues	11.50	100.0%	3.95	100.0%	+ 191%

• Engineering

The “Engineering” division’s half-year revenues came to €2.54 million, representing 22.1% of consolidated revenues at September 30, 2016.

In France, the Group is moving forward with its diversification and premiumization strategy. The aim is to further strengthen the division’s positions in high-growth sectors, such as renewable energies, water treatment, electric vehicles and urban transport. In addition, the division has benefited from ETUD Integral’s business since the end of June 2016. The work carried out has already led to the development of new groundbreaking urban mobility and electro-mobility solutions.

In South Africa, the Group is further strengthening its range of specialized training programs for highly regulated industries. This business has good visibility, thanks in particular to a five-year contract that was signed recently and will open up opportunities for additional training actions and e-learning activities.

• Finance

The “Finance” division generated half-year revenues of €2.97 million, representing 25.8% of consolidated revenues at September 30, 2016.

Driven by the positive trend for demand on the French market, sales are being supported in particular by the dynamic development of the contracts in place with major banking groups. They have been accompanied by a repositioning of stronger value-added offers in the operational consulting and engineering sectors for business leaders.

• IT & Telecoms

Half-year revenues for the “IT & Telecoms” division came to €5.93 million, representing 51.6% of consolidated revenues at September 30, 2016.

In France, sales highlight the dynamic development of business with telecoms equipment manufacturers and operators, as well as the good performance by the IT outsourcing business. Today, the Group has a robust, extensive and competitive services platform in place to ramp up its listings; the deals currently being negotiated are expected to help drive growth in business over the full year.

Alongside this, the Group is effectively positioned to deploy innovative solutions with a view to consolidating its organic growth, notably looking to expand them to include new buoyant markets such as biotechnologies, climatology and nanotechnologies.

More specifically, the High Performance Computing (HPC) offers have consolidated their position with the renewal of several multiyear contracts.

The Brazilian subsidiary is reporting a sustained volume of business in the finance sector, as well as an upturn in demand in the telecommunications sector and a gradual diversification of offers in the multimedia sector.

Geographic mix

At September 30, 2016, the breakdown of the Group's consolidated revenues was as follows: 84% in France, 14% in Brazil and 2% in South Africa.

Outlook

Thanks to the development of business over the first half of the year, the Group is able to confirm its target for revenue growth of over 50% for FY 2016-17 compared with the previous year.

Over the medium term, the Group is moving forward with a development strategy focused on three key areas:

- i/ Engineering, IT and telecoms**
- ii/ Smart services and solutions**
- iii/ Strategic alliances and international development**

With its highly complementary and innovative expert capabilities, the Group's ambition is to support the development of major industrial firms, SMEs and startups in an extremely competitive and dynamic environment linked to the digital transition.

Next date: 2016-17 half-year earnings on Monday December 19, 2016 (after close of trading).

About GECI International: Smart Solutions for a Smart World

The GECI International Group, created in 1980, has established itself as a high-tech engineering specialist. Today, GECI International is targeting high-growth, strong value-added market segments, focusing in particular on engineering, IT, telecommunications and smart products and services. With its world-renowned credibility for advisory services, its expertise and its ability to deploy the most qualified skills, GECI International is supporting businesses with their digital transition and their efforts to design and develop new smart services and solutions.

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