

Paris, May 16th 2013

## Q1 2013 Revenue

**€125.3M Consolidated Revenue**

**Sale of Devoteam T&M to Ericsson finalized on April 30th**

In million euros	Q1 2013	Q1 2012	Total Growth	Organic Growth <sup>1</sup>
<b>Consolidated revenue<sup>2</sup></b>	<b>125.3</b>	<b>132.6</b>	<b>-5.5%</b>	<b>-7.2%</b>
France	60.7	60.4	0.4%	-3.2%
International	64.6	72.2	-10.5%	-10.6%

Devoteam (NYSE Euronext Paris: DVT) reported revenues of €125.3M for the first quarter of 2013, a change of -5.5% compared to the same period in 2012. Excluding the calendar effect of -2.2 business days over the quarter, the decrease compared to last year is limited to 3%.

Revenue in France grew slightly by 0.4%; it was down 3.2% on a like-for-like basis. The change in perimeter mainly came from the consolidation of Smart Vision, acquired at the end of last year. Excluding seasonality, the French business withstood the pressure of the difficult economy quite well, particularly thanks to the Industrial and Oil & Gas verticals.

Decrease of revenue outside of France is mainly explained by a shrinking Telecom market in Northern Europe, Germany and Italy and a -2.6% estimated effect of the decrease in available days compared to Q1 2012.

The divestment of Devoteam T&M to Ericsson was finalized on April 30th, 2013. Following this operation, the Telecom vertical will represent 21% of the Group consolidated revenues (versus 30% prior to the deal), aligned with the EAGLE strategic objectives presented in July 2012.

<sup>1</sup> At constant exchange rates and perimeter  
<sup>2</sup> Non audited figures

## Q1 2013 Consolidated revenue - Analysis by region

In million euros	Q1 2013	Q1 2012	Total Growth	Organic Growth
Western Europe	28.2	29.2	-3.2%	-3.2%
Mediterranean area	17.8	21.1	-15.9%	-15.9%
Northern Europe	15.6	20.1	-22.5%	-22.9%
Central Europe	11.6	13.4	-13.3%	-13.3%
Middle East & Turkey	4.5	4.7	-3.4%	-2.7%
Single entities	11.8	14.3	-17.4%	-17.4%
Others	35.8	29.9	+19.8%	+12.9%
<i>Of which divestments 2013</i>	14.7	12.8	+14.8%	
<b>Group Revenue</b>	<b>125.3</b>	<b>132.6</b>	<b>-5.5%</b>	<b>-7.2%</b>

**Western Europe** is the largest region of the group in terms of revenue. It comprises the Belgian, Luxembourgish and French *Expertise* activities (the French Telecom unit sold to Ericsson in 2013 has been excluded from the figures presented here). The growth in the region was driven by industrial customers. Excluding calendar effect, revenue was stable compared to that of last year.

Revenue of the **Mediterranean area**, gathering the *Solutions* and *Consulting* businesses in France and North Africa, amounted to €17.8M. The systems integration activity started slower than expected, due to a longer decision process before the actual launch of projects at customers'. This phenomenon is partially compensated by the good performance of the *Consulting* activities in France.

Revenue in **Northern Europe**, which consolidates the UK and Scandinavian countries, decreased by 22.5%, due to pressure at OEM customers in the telecoms. It was also impacted by a mechanical shift in the recognition of license revenues due to the increased proportion of SaaS compared to perpetual licenses.

Revenue in **Central Europe**, which gathers operations in Germany, Switzerland, Austria, Poland and Czech Republic, decreased by 13.3% to € 11.6M at the end of March 2013. Germany, the largest activity in the region, faced a reduction of activity with its main telecom customer. A recovery plan has been launched to reduce the financial impact.

Revenue in **"Single entities"** (Spain, Italy and the Netherlands) amounted to €11.8M, a decrease of 17.4% compared to the first quarter of 2012. Half of the change is explained by the

Italian business, highly depending on telecoms.

The “**Middle East & Turkey**” region faced a slower than expected start but is still expecting a growth of revenue for the year.

“**Others**” combine all the other investments of the Group, including the ones with different business models, as well as the businesses divested in 2013 (Telecom BU in France and Exaprobe ICT).

### Headcount

On March 31<sup>st</sup>, 2013, the Group employed 4,517 people, compared to 4,664 at the end of 2012. The billable workforce represented 85.9% of total workforce, a stable ratio compared to December 31<sup>st</sup>, 2012.

During the first quarter, the utilization rate of internal resources decreased from 81.9% last year to 80.7% in 2013.

### 2013 Outlook

Action plans have been launched in most of the regions to improve utilization rates, and compensate the difficult market conditions faced in the first few months of 2013.

To achieve its long term goals, the Group is focused on the continued deployment of the EAGLE transformation program. Excluding the impact of any additional deterioration of the business environment, the Group expects in 2013 a stable operating margin rate compared to that of 2012, and a strong increase of the consolidated net income.

### Share capital and dividend

During the first quarter of 2013, Devoteam bought €0.1M of its own shares.

The Management Board will seek approval from shareholders at the next shareholders' meeting regarding the payment in 2013 of a dividend amounting to 10 cents per share.

## 2013 Financial calendar and press releases

H1 2013 results: August 29<sup>th</sup>, 2013<sup>(\*)</sup>

Q3 2013 revenues: November 7<sup>th</sup>, 2013<sup>(\*)</sup>

FY 2013 results: February 26<sup>th</sup>, 2014<sup>(\*)</sup>

*(\*) After stock-exchange closing*

Annual Shareholder's Meeting: June 20<sup>th</sup>, 2013

Dividend payment date: July 2<sup>nd</sup>, 2013

### **About Devoteam:**

Devoteam (ISIN: FR 0000073793) is an IT consulting group created in 1995, a preferred partner for accompanying the IT transformation of its clients. The combination of consulting know-how and technical expertise enables Devoteam to provide its customers with independent advice and effective solutions that meet their strategic industrial objectives.

In 2012, Devoteam achieved revenues of 515M€ and an operating margin of 3.5%. The Group consists of 4517 employees in 23 countries across Europe, North Africa and Middle East.

[www.devoteam.com](http://www.devoteam.com)

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