

# 29% OPERATING MARGIN INCREASE IN 2008 –

## 50% OF BUSINESS OUTSIDE OF FRANCE

Paris, February 10th, 2009

### Non-audited preliminary figures

<i>In million of Euros (€m)</i>	<b>2008</b>	2007	<i>Var.</i>	<b>Q4 2008</b>	Q4 2007	<i>Var.</i>
<b>Turnover</b>	<b>460</b>	370	+24%	<b>125</b>	112	+11%
<b>Operating margin (1)</b>	<b>40</b>	31	+29%	<b>13.6</b>	12.6	+8%
<i>In % of Turnover</i>	<b>8.8%</b>	8.5%		<b>10.9%</b>	11.2%	

(1) Current operating profit excluding the impact of stock options and amortization of intangible assets resulting from acquisitions

In 2008, Devoteam achieved a turnover of 460 M€, up 24% compared with 2007 (of which 17% is organic growth) and an operating margin of 40 M€ (8.8% of turnover), up 29% year-on-year. With 4,280 employees in 24 countries at end 2008, the group now realizes 50% of its activity outside of France.

### 4<sup>th</sup> Quarter Analysis

#### *Financial performance:*

The good performance achieved by both the *Business Consulting* entities and the ones active in emerging markets helped the Group achieve a turnover growth of 11% year-on-year in the 4th Quarter of 2008 despite Devoteam's termination of two contracts with Ericsson.

The Group showed an operating margin close to 11%, with an increase of the profitability in the French activities (excluding outsourcing). 2008's audited figures will be published on March 10<sup>th</sup>, 2009 and will take into account 7M€ of non current operating expenses resulting from the deterioration of the market in the 4<sup>th</sup> quarter. The good operational results and rigorous cash management increased the Group's gross cash position to 90 M€ at the end of the year.

#### *Important facts:*

With the takeover of Turing SMI's assets in United Kingdom and the acquisitions of Teligent in Russia and Danet in Germany, Devoteam made use of this turbulent period to strengthen its position in the Group's strategic areas of development: IT Service Management (ITSM) and Telecommunications. After a major ITSM project carried out for Total in 2008, Devoteam recently won a significant contract in this area with British Petroleum.

Moreover, Devoteam brings together its 150 security experts in France into one business unit in order to improve the relevance and efficiency of its offers.

## 2008 analysis

*Revenues by activity and geographical area:*

<b>Turnover (1)</b>	<b>France</b>	<b>International</b>	<b>Business Consulting</b>	<b>Technology Consulting</b>
FY 2008	<b>237</b>	<b>223</b>	<b>89</b>	<b>370</b>
FY 2007	<b>205</b>	<b>165</b>	<b>75</b>	<b>295</b>
<i>Growth</i>	<i>+15%</i>	<i>+35%</i>	<i>+20%</i>	<i>+25%</i>

*Non-audited figures, in million of euros*

Business outside of France represented 48% of the Group revenues in 2008, an increase of 35%, of which more than 20% was organic. The fastest growing entities were Benelux and Scandinavia. The French entities posted a growth of 15%, mainly organic. The Group's increase in profitability continues to be driven by activities outside of France and by *Business Consulting* activities, which maintained a higher than 10% level of operating margin.

*Revenues by vertical:*

The breakdown of Devoteam's turnover by vertical was relatively stable in 2008 showing a lower increase in Financial Services (about 20% of turnover), than in other verticals, *utilities* being one of the best performing segments. Devoteam's exposure to the automotive industry in terms of turnover is less than 1%.

## Perspective 2009

The acquisition of Danet was approved by both minority shareholders and the German antitrust authority in early February. It should be finalized during the month.

In a context of lack of visibility, Devoteam forecasts a flat turnover in H1 2009 and more than 5% operating margin.

### **About Devoteam:**

Devoteam is an IT consulting group created in 1995. Combining consulting and technical solutions offers enables Devoteam to provide its customers with independent advice and effective solutions that meet their industrial objectives.

In 2008 Devoteam achieved a turnover of 460M€, up 24%, and an operating margin of 8.8%. The Group counts 4,280 employees in 24 countries across Europe, North Africa and the Middle East.

Listing: Euronext since October 28 1999 / Part of the indexes: CAC MID & SMALL 190, SBF 250 of Euronext Paris

ISIN: FR 0000073793, Reuters: DVTM.PA, Bloomberg: DEVO FP

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