

# TURNOVER UP 2% IN Q1 2010

Paris, May 10, 2010

## Preliminary non audited figures

<i>In millions of Euros</i>	Q1 2010	Q1 2009	Var.
<b>Revenues</b>	<b>116.8</b>	<b>114.8</b>	<b>+2%</b>
<b>Operating margin (1)</b>	<b>6.2</b>	<b>7.3</b>	<b>-16%</b>
<i>In %</i>	5.3%	6.4%	
<b>Cash (2)</b>	<b>82</b>	<b>76</b>	<b>+6M€</b>

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

2) Including treasury positions (posted in other current financial assets) and bank overdrafts

Devoteam posted revenues of 117 M€ in the 1st quarter of 2010, up 2% year-on-year. Operating margin reached 5.3% of revenues. Headcount stood at 4,400 employees before taking into account 120 people coming from the acquisition of Tieto France.

### Performance Analysis

Excluding Danet, consolidated as of March 1<sup>st</sup>, 2009, revenues decreased by 3% in Q1 2010.

Operating margin declined to 5.3% of revenues due to lower daily margins. This was mainly explained by unfavorable evolution of prices for our services since Q4 2009 and a higher number of subcontractors. Utilization rate stabilized in most entities and was in line with the level reached in Q1 2009.

Cash position reached 82 M€ as of end of March, up 6M€ YoY.

### Analysis by segment

Activities outside France represented 54% of Group revenues and grew by 8% to 62.6M€, thanks to an additional two months contribution of Danet and dynamism of entities in countries with high growth potential, mainly Russia and Turkey.

Thanks to the restructuring plan for Danet which brought the company back to profitability and improving market conditions, Q1 was encouraging for our German activities.

The business consulting entities located in Austria, Denmark and Norway remained more profitable than the Group average, although their top line was in slight decline compared with Q1 2009, due to lower spending in the public sector.

Other entities in Northern Europe, more linked with the banking sector (Luxembourg, the Netherlands, Sweden, and United Kingdom) achieved satisfying results.

The entities historically working for telecom equipment manufacturers in Italy, Belgium and Norway still showed a low activity rate, but the outlook improved, due to significant projects with telecom operators. After a tough FY 2009, the Spanish business benefited from the takeoff of our offer in IT Service Management.

Business in France (46% of Group revenues) decreased by 5% with limited impact on margins, thanks to the increased profitability of business consulting activities as well as a change in the local tax system (starting 2010), following which the French “*Taxe Professionnelle*” was accounted for as part of corporate tax.

Overall, business consulting activities decreased by 6% yoy while technology consulting activities benefited from the impact of acquisitions and increased by 4%.

### **Major Events**

The Group's subsidiaries in Norway, Denmark and the Netherlands have been ranked in the Top 25 “*Great Places to Work*” in their country which, for the second consecutive year, confirmed the quality of working environment that Devoteam is aiming towards.

Furthermore, in order to accelerate the international cooperation, the cornerstone of Devoteam's strategy, the Group launched a project to rollout a new internal collaboration platform similar to social networking tools.

### **Outlook**

Taking into account the Q1 2010 results and the consolidation of Tieto France as of May 1<sup>st</sup>, 2010, Devoteam raised its revenue target to over 480M€ in 2010 and confirmed its expected operating margin target of around 6%.

### **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 2009, Devoteam achieved a turnover of 459.5 M€ and an operating margin of 6.2%. The Group consists of 4 400 employees in 23 countries across Europe, North Africa and the Middle East.

Listing: NYSE Euronext since October 28, 1999

Part of the indexes: CAC MID & SMALL 190, SBF 250 of Euronext Paris, Gaia index

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

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

**Contact:** Stanislas de Bentzmann, Co-CEO, [stanislas.de.bentzmann@devoteam.com](mailto:stanislas.de.bentzmann@devoteam.com)

**Investor Relations:** Evelyne Broisin, Grégoire Cayatte, [finance@devoteam.com](mailto:finance@devoteam.com), tel.: + 33 1 41 49 48 48

**Press:** Bastien Rousseau & Celia Casabianca, [celia.casabianca@pleon.com](mailto:celia.casabianca@pleon.com), tel.: + 33 1 53 32 62 06