Press release

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31 July 2013

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NEW CHALLENGES, NEW IDEAS

GFI INFORMATIQUE: 2013 FIRST-HALF REVENUES

CONTINUED REVENUE GROWTH: +14.8%
ORGANIC GROWTH IN FRANCE: +1.5%
OPERATING MARGIN UP 6.9%
SUCCESSFUL INTEGRATION OF ACQUISITIONS

Saint-Ouen (France), 30 July 2013 – At its 30 July 2013 meeting chaired by Vincent Rouaix, the Gfi Informatique board of directors considered the condensed consolidated financial statements for the first six months of 2013.

Main profit and loss items (in euro '000)	30.06.13	30.06.12 restated (1)	Δ	Δ%
Revenues	368.6	320.9	47.7	14.9%
Operating margin	17.0	15.9	1.1	6.9%
As % of revenue	*4.62%*	*4.96%*	*-0.34 pt*	
Operating profit	7.8	10.8	-3.0	-27.9%
Profit of continued operations	0.6	2.3	-1.7	-72.1%
Net profit	0.6	5.7	-5.0	-88.6%
Net profit attributable to the Group	0.8	5.0	-4.2	-83.8%
Earnings per share of continued operations, Group share (€)	*0.01*	*0.04*	0.03	-62.7%
Comprehensive Income	*0.9*	*0.2*	*x 6*	
Main balance sheet items				
Cash flow	12.5	13.8	-1.3	-9.6%
Net debt	62.8	63.7	-0.9	-1,3%
Equity (Group share)	187.7	186.7	1.1	0.6%
Restated net debt to equity (Group share)	*33%*	*34%*	*-1 pt*	

(1) Application of the revised IAS 19

Commenting on these results, Vincent Rouaix said: "*In a difficult market environment, GfI informatique continued to grow in the first half of the year. Acquisitions contributed to our growth, which was also driven in France by organic expansion. Business activity in the first six months of the year reflected both the appropriateness of the Group's strategic choices and the successful integration of companies acquired in 2012. Profitability in France is improving with fewer working days, while the Group is holding up well abroad in view of the economic environment*".

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GROUP ACTIVITY: REVENUES UP 14.8% – RESILIENT OPERATING MARGIN OF 6.9%

First half 2013 Group revenues totalled €368.6 million, up 14.8% on a reported basis compared with the same year-earlier period. They were near-flat (-0.7%) like-for-like despite two fewer working days in France, Spain and Belux, representing a 1.6% reduction in working days in these countries.
In the second quarter, Group revenues grew by 15.7% and by 0.5% like-for-like.

The Group operating margin amounted to €17 million, up 6.9%.

- **FRANCE**: **strong revenue growth – improved operating margin**

Revenues in France came to €313 million compared with first-half 2012 revenues of €258.8 million, up 20.9% on a reported basis and up 1.5% like-for-like. Second-quarter revenues in France grew by 21.9% and by 2.7% like-for-like.
These strong revenues reflect the good integration of companies and businesses acquired in 2012: Géosphère, Adix, Thales Bus and Cognitis. Business activity was vigorous over the quarter. The pipeline at 30 June was up almost 40% on that of a year earlier, and the sliding book-to-bill ratio stood at 1.13.

The operating margin of 5.3%, unchanged from a year earlier, was slightly ahead of the Group's expectations. Besides the negative impact of fewer working days (representing more than one point of operating margin), growth in the operating margin attested to the Group's efforts to improve its positioning, innovate and industrialise. These parameters were particularly reflected by an improvement in the average daily rate of almost €20 compared with a year earlier, while the TACE (activity ratio) was stable.

- **INTERNATIONAL**

Iberian Peninsula (Spain and Portugal):
Revenues amounted to €39.7 million compared with €46.2m, down 14% like-for-like, while the zero operating margin was down 4.1 points. Gfi divested its payment terminal sales business in Portugal and continued reorganisation measures in the first half of the year. Fewer working days also took a toll on this region and represented a loss of more than 1% of revenues.

Northern Europe (Belux and Switzerland):
Revenues, like profitability, were near-stable at €12.7 million compared with €13 million a year earlier, which was a good performance given that there were also two fewer working days. Belux represents around 94% of revenues in this region.

Morocco
Moroccan revenues totalled €3.1 million, up 11.3% like-for-like, with an improvement in profitability.

OPERATING PROFIT AND NET PROFIT

Operating profit totalled €7.8 million compared with €10.8 million in the first half of 2012. The continued integration of acquisitions made at the end of last year explains part of the amount of restructuring charges in the first half (€5.2 million compared with €2.5 million in the same period of 2012). The Group completed most of its annual restructuring measures in the first half of the year, and that restructuring costs in the full year should be close to the €6.7 million recorded in 2012.
The net profit of continued operations came to €0.6 million.
Comprehensive income came to €0.9 million compared with €0.2 million a year earlier.

FINANCIAL STRUCTURE: CONTROLLED WORKING CAPITAL – GEARING OF 33%

Cash flow before restructuring amounted to €18.9 million against €16.7 million last year, an increase of +12.6%. Post restructuring, cash flow totalled €12.5 million compared with €13.8 million a year earlier. Consumption of working capital in the first half was tightly controlled in view of business growth: it amounted to €19.3 million, out of which €16.4 million comparable to €15.9 million[1] a year earlier. These developments resulted in low gearing of 33%.

STABILISATION OF THE SHARE CAPITAL OF GFI INFORMATIQUE FOLLOWING THE SIMPLIFIED TENDER OFFER

The APAX and Boussard & Gavaudan investment funds signed a shareholder agreement on 7 June 2013. In accordance with the applicable regulation, this action in concert triggered the launch of a public tender offer by Infofin Participations, a company created for this purpose.
At the end of the offer period, Infofin Participations acquired 7,483,083 shares and 163,755 Océane convertible bonds, giving the concert 42,666,632 shares in GFI Informatique and 10,053,919 Océane convertible bonds, representing 78.36% of the share capital and voting rights of the company and 99.73% of outstanding Oceane bonds.
This transaction is a mark of confidence by the two principal shareholders in the strategy pursued to date. It allows the Group to continue expanding its business with confidence while stabilising Gfi Informatique’s share capital.

OUTLOOK

In view of reduced market visibility, the Group considers that growth will continue in the second half and that profitability will improve sharply in the second half, notably thanks to the disappearance of the seasonal effects seen in the first half. The Group also remains open to any acquisition opportunity that may emerge.

Next release: Q3 2013 revenues – 7 November 2013

[1] Excluding first settlement of VAT litigation for an amount of €2.8 million disbursed in H1 2013

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Disclaimer:

The items in this press release other than historical facts are estimates. They do not constitute guarantees because of the inherent difficulties in forecasting results. Actual results may differ considerably from explicit or implicit forecasts.

About Gfi Informatique

Gfi is a major European player in the high value-added IT services and software sector, and occupies a strategic position in its differentiated approach to global firms and niche entities. With its multi-specialist profile, the Group serves its clients with a unique combination of proximity, sector organisation and quality industrial solutions. The Group has close to 10,000 employees and reported revenues of €750 million in 2012.

GFI Informatique is listed on the Paris Euronext NYSE Euronext (Compartment B) - ISIN Code: FR0004038099.

Please see our website: www.gfi.fr

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APPENDICES

Sales (in euros '000)	1st quarter 2012	1st quarter 2011 restated	Reported growth	Like-for-like growth
France	161,0	134,1	20,1%	0,5%
Spain	15,1	17,7	-14,5%	-14,5%
Portugal	4,4	5,5	-19,5%	-19,5%
Northern Europe *	6,2	6,4	-4,2%	-4,1%
Morocco	1,6	1,5	9,8%	11,5%
Total	**188,4**	**165,2**	**14,0%**	**-1,9%**
** Belux, Switzerland*				
France	161,0	134,1	20,1%	0,5%
International	27,3	31,1	-12,1%	-12,0%
Total	**188,4**	**165,2**	**14,0%**	**-1,9%**

Sales (in euros '000)	2nd quarter 2012	2nd quarter 2011 restated	Reported growth	Like-for-like growth
France	152,0	124,7	21,9%	2,7%
Spain	16,1	17,3	-7,1%	-7,1%
Portugal	4,1	5,7	-27,8%	-25,8%
Northern Europe *	6,5	6,6	-1,2%	-1,0%
Morocco	1,5	1,4	8,2%	11,1%
Total	**180,2**	**155,7**	**15,7%**	**0,5%**
** Belux, Switzerland*				
France	152,0	124,7	21,9%	2,7%
International	28,2	31,0	-8,9%	-8,4%
Total	**180,2**	**155,7**	**15,7%**	**0,5%**

Sales (in euros '000)	6 months 2012	6 months 2011	Reported growth	Like-for-like growth
France	313,0	258,8	20,9%	1,5%
Spain	31,2	35,0	-10,8%	-10,8%
Portugal	8,5	11,2	-23,7%	-22,7%
Northern Europe *	12,7	13,0	-2,7%	-2,5%
Morocco	3,1	2,9	9,0%	11,3%
Total	**368,6**	**320,9**	**14,8%**	**-0,7%**
** Belux, Switzerland*				
France	313,0	258,8	20,9%	1,5%
International	55,5	62,1	-10,5%	-10,2%
Total	**368,6**	**320,9**	**14,8%**	**-0,7%**

2013 Half-Year Income statement

Consolidated statement of financial position in euro '000	**30.06.13**	**30.06.12** restated (1)
Revenue	368,6	320,9
EBITDA	20,8	19,8
Depreciation and amortization (net)	3,8	3,9
Operating margin	**17,0**	**15,9**
Operating margin %	4,6%	5,0%
Amortization of assigned intangible assets	-0,9	-0,7
Goodwill impairment losses	0,0	0,0
Other operating products and expenses	-8,3	-4,3
Operating profit	**7,8**	**10,8**
Financial result	-3,5	-3,2
Income tax expense	-3,7	-5,4
Net income before discontinued activities	**0,6**	**2,3**
Net income of discontinued activities	0,0	3,3
Net income attributable to the Group	**0,8**	**5,0**
Diluted earnings per share (in euros)	*0,01*	*0,09*
Recognized comprehensive income	0,3	-5,5
Comprehensive Income	**0,9**	**0,2**

2013 Half-Year Cash Flow

Consolidated cash flow statement in euro '000	30.06.13	30.06.12 restated (1)
Cash from operating activities	12,5	13,8
Tax paid	-5,3	-4,3
Change in working capital requirement	-19,3	-15,9
Net cash from operating activities	**-12,1**	**-6,3**
Net cash non-linked to perimeter investment	-5,6	-5,3
Net cash linked to perimeter investment	11,2	41,5
Net cash from investing activities	**5,6**	**36,2**
Dividends	0,0	-4,8
New borrowings	0,0	0,0
Repayment of borrowings	-2,9	-19,4
Interets paid	-0,9	-1,0
Change in factoring drawdowns and other	9,8	21,0
Net cash from financing activities	**5,9**	**-4,2**
Effect of changes in foreign exchange rate	0,0	0,0
Change in cash and cash equivalents	**-0,5**	**25,7**

2013 Half-Year Balance Sheet

Blance sheet in euro '000	**30.06.13**	**31.12.12** restated (1)
Goodwill	188,1	192,1
Fixed Assets	44,1	41,2
Non current financial assets	28,9	28,3
Current assets	300,9	292,1
Cash and cash equivalent	45,9	40,2
Total assets	**607,9**	**593,8**
NET EQUITY - group share	186,7	187,9
Borrowings	108,7	93,5
Non current liabilities	27,0	27,1
Current financial liabilities	15,4	18,3
Current liabilities	270,1	267,0
Total liabilities and shareholders equity	**607,9**	**593,8**
Net Debt	62,8	53,3
Gearing	*34%*	*28%*
Working Capital Requirement	52,1	34,0

(1) Application of the revised IAS 19

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