

2017 annual results: solid performances

Revenue: €209.3m, up +9.9%
Current operating income: €23.4m, up 7.1%
Dividend for proposal at the AGM: €1.15 per share, + 15%

The Board of Directors, in its meeting of March 14, 2018, approved the annual financial statements for fiscal year 2017.

In € million at December 31 (audited accounts)	2017	2016	Change
Consolidated revenue	209.3	190.5	9.9%
<i>Services</i>	201.2	181.9	10.6%
<i>Software</i>	8.1	8.6	- 5.9%
Personnel expenses	96.5	87.9	9.8%
External expenses	81.6	73.7	10.6%
EBITDA	26.6	25.1	6.0%
Depreciation, amortization and provisions	(3.5)	(3.5)	ns
Current operating income	23.4	21.8	7.1%
<i>as a % of revenue</i>	11.2%	11.4%	
Income tax	(7.3)	(7.6)	- 2.9%
Net income, Group share	15.8	13.7	15.2%
<i>as a % of revenue</i>	7.5%	7.2%	

The accounts have been audited and the Statutory Auditor's report is underway.

Services division chalks up sharp growth: +10.6%

In a global IT services market estimated to have grown 3.4% in 2017 (source: Syntec Numérique), **Infotel** chalked up €209.3 million in revenue, representing **fully organic growth of 9.9%** from 2016.

The **Services division** recorded 10.6% growth in revenues to €201.2m, amid extremely robust activity at the service centers of the group's biggest clients and the reference provider contracts won with blue-chip accounts, such as Caisse des Dépôts. The Banking sector is still the biggest contributor to business (35% of Service division revenues), followed by industry (26% of Services revenues).

The **Software division**, reported sales of €8.1m, including lower royalties from IBM, at €4.6m. Excluding royalties from IBM, the software division posted growth of 7.6%.

New growth in earnings and operating profit still high

Current operating income amounted to €23.4 million vs €21.8 million one year earlier, **up 7.1%**, while operating profit came in at 11.2%.

This fine performance was fueled by operating profit growth at the Services division and the group's cost control, which were practically stable at 79.5% in 2017, compared with 79.6% in 2016.

The inter-contract rate remained very low at 1.7% for the full year.

Net income, Group share came in at **€15.8 million, up 15.2%**, generating a net margin amounting to 7.5% of revenue.

Solid financial structure

With shareholders' equity increasing to €81.6 million and no financial debt, the Group's financial position is extremely solid, with net cash increasing to €64.3m.

Proposed dividend: €1.15 per share

Infotel's Board of Directors will propose the payment of a dividend of €1.15 per share for 2017 to the General Meeting of May 31, 2018. This proposed dividend reflects the excellent performance posted for the year as well as management's renewed confidence in the outlook for 2018. This will bring the dividend payout ratio to 48.5% of net income.

Outlook

Confident in its prospects for 2018, **Infotel** remains on track for continued growth in sales and strong operating profitability.

Further, the Group aims to:

- continue outperforming the market,
- maintain an average growth rate of around 10% over the next four years, complemented by additional growth achieved through acquisitions,
- maintain a healthy level of operating income.

Upcoming events:

General Meeting: May 31, 2018 (afternoon)

Publication of Q1 revenue: May 31, 2018 after market close.

About Infotel

Listed on Compartment B of Euronext Paris since January 1999 (ISIN code FR0000071797), **Infotel** specializes in large-account information management systems, from mobile to very large volume databases (Big Data). Operating at the forefront of technological innovation, **Infotel** develops its expertise across two complementary divisions: IT services and software publishing. **Infotel** posted revenue of €209.3 million in 2017 and employs over 2,200 people.

Contacts

Infotel

Michel Koutchouk

Vice President

Tel.: + 33 1 48 97 38 38

michel.koutchouk@infotel.com

Actifin

Financial Communications

Ghislaine Gasparetto

Tel.: +33 1 56 88 11 11

ggasparetto@actifin.fr