

Paris, 9 March 2021

## Devoteam achieved revenue of €760.4 million and operating margin of €73.7 million in 2020

- Revenue decreased by -0.2% in 2020, of which -0.6% organically
- Operating margin decreased to 9.7%
- Group share of net income at €40.8 million compared to €41.6 million last year

In millions of euros <sup>(1)</sup>	31.12.2020	31.12.2019	Variation	Organic variation <sup>(2)</sup>
<b>Revenue</b>	<b>760.4</b>	<b>761.9</b>	<b>-0.2%</b>	<b>-0.6%</b>
<b>Operating margin</b>	<b>73.7</b>	<b>79.0</b>	<b>-6.7%</b>	
In % of the revenue	9.7%	10.4%	-0.7 pt	
<b>Operating income</b>	<b>71.9</b>	<b>73.4</b>	<b>-2.0%</b>	
In % of the revenue	9.5%	9.6%	-0.2 pt	
<b>Net income - Group share</b>	<b>40.8</b>	<b>41.6</b>	<b>-1.8%</b>	
Diluted earnings per share <sup>(3)</sup>	€4.96	€5.07	-2.1%	
<b>Net cash (debt) at closing<sup>(4)</sup></b>	<b>119.8</b>	<b>48.0</b>	<b>+€71.9m</b>	

<sup>(1)</sup>The financial statements presented in this press release have been approved by the Supervisory Board on 8 March 2021 and are currently being certified by the Group Auditors.

<sup>(2)</sup>At comparable perimeter and exchange rates.

<sup>(3)</sup>Based on the weighted average number of shares for the year.

<sup>(4)</sup>Cash position net of all financial debts, excluding debts related to operating leases under IFRS 16 "leases".

FY 2020 consolidated financial statements are available on our website:  
<https://www.devoteam.com/investors/financial-information/>



## Results for the full year 2020

**Revenue** reached €760.4 million for the full year 2020, decreasing -0.2% compared to 2019 and -0.6% at constant scope and exchange rates.

Changes in scope had a positive impact of 1 point of growth while variations in exchange rates had a negative impact of -0.6 point of growth. The working day impact over the year was favorable representing around 0.6 point of growth.

In the fourth quarter the Group achieved sales of €198.3 million, down -4.0% compared to the previous year and -4.9% at constant scope and exchange rates, a stronger decrease than the previous quarters. The continued effects of the COVID-19 crisis have been compounded by the acceleration of the loss of activity in Germany.

The **operating margin** stood at €73.7 million and 9.7% of the revenue in 2020.

The pressure on prices in 2020 had an effect on the Group performance leading to a decrease of -2% of our average daily price compared to 2019.

The **operating income** amounted to €71.9 million, including restructuring costs of €1.7 million, mainly in Germany, France and Spain.

The **financial result** was -€3.8 million. It included a €1.4 million foreign exchange loss, a €1 million interest expense on the bond issue, a €0.6 million cost related to the application of IFRS 16, and €0.5 million of short-term financing costs (confirmed lines of credit and factoring).

**Tax expenses** totaled €24.1 million, representing 34.1% of profit before tax, compared to 32.6% in 2019. Excluding non-taxable profits and other exceptional elements, the tax rate would have been 31% in 2020.

The **Group share of net income** decreased by -1.8% from €41.6 million in 2019 to €40.8 million in 2020.

On 31 December 2020, the **net cash** was €119.8 million compared to €48 million in 2019. Cash generation was positively impacted by one-off events such as the disposal of Between in the Netherlands and the short-term decrease of the working capital requirements.



## Headcount and utilization rate

On 31 December 2020, the Group employed 7 623 people.

The headcount increased by 139 people compared to 30 September 2020, with an attrition rate that fell from 25.2% in the previous quarter to 22.7% in the fourth quarter.

In the fourth quarter of 2020, the Group recorded a utilization rate of internal resources of 81.9%.

## 2021 outlook

Devoteam has decided not to communicate a guidance for 2021.

## Dividend and financial calendar

The Supervisory Board will propose not to pay a dividend for the year 2020 at the next Shareholders' meeting on 4 June 2021.

Devoteam has decided to change to a bi-annual financial communication.

Next events:

- Shareholders' meeting on 4 June 2021
- H1 2021 results on 7 September 2021, after market closed



## Appendix

## Quarterly revenue by region

In millions of euros	Q4 2020	Q4 2019	2020	2019
<b>France</b>	<b>90.1</b>	<b>93.5</b>	<b>341.5</b>	<b>352.1</b>
Variation	-3.6%		-3.0%	
L-f-I variation	-3.6%		-3.0%	
<b>Northern Europe &amp; Benelux</b>	<b>58.3</b>	<b>57.3</b>	<b>216.4</b>	<b>204.7</b>
Variation	1.7%		5.8%	
L-f-I variation	-4.0%		3.3%	
<b>Central Europe</b>	<b>16.8</b>	<b>20.8</b>	<b>69.9</b>	<b>81.6</b>
Variation	-18.9%		-14.3%	
L-f-I variation	-18.5%		-14.2%	
<b>Iberia &amp; Latam</b>	<b>19.3</b>	<b>19.7</b>	<b>76.3</b>	<b>69.0</b>
Variation	-2.0%		10.5%	
L-f-I variation	-1.2%		9.1%	
<b>Rest of the world</b>	<b>15.5</b>	<b>16.4</b>	<b>61.7</b>	<b>56.8</b>
Variation	-5.8%		8.7%	
L-f-I variation	-0.2%		10.3%	
<b>Corporate &amp; other</b>	<b>(1.7)</b>	<b>(1.3)</b>	<b>(5.4)</b>	<b>(4.1)</b>
<b>Divestments</b>	<b>-</b>	<b>0.2</b>	<b>0.0</b>	<b>1.8</b>
<b>Total</b>	<b>198.3</b>	<b>206.5</b>	<b>760.4</b>	<b>761.9</b>
Variation	-4.0%		-0.2%	
L-f-I variation	-4.9%		-0.6%	
Currency impact	-0.8%		-0.6%	
Perimeter impact	1.8%		1.0%	

Of which impact of significant acquisitions:

In millions of euros	Q4 2020	Q4 2019	2020	2019
<b>Northern Europe &amp; Benelux</b>	<b>3.8</b>		<b>7.7</b>	
Avalon Solutions, consolidated as of 1 April 2019			1.5	
Inviso, consolidated as of 1 July 2020	2.1		3.8	
Fourcast, consolidated as of 1 August 2020	1.7		2.4	

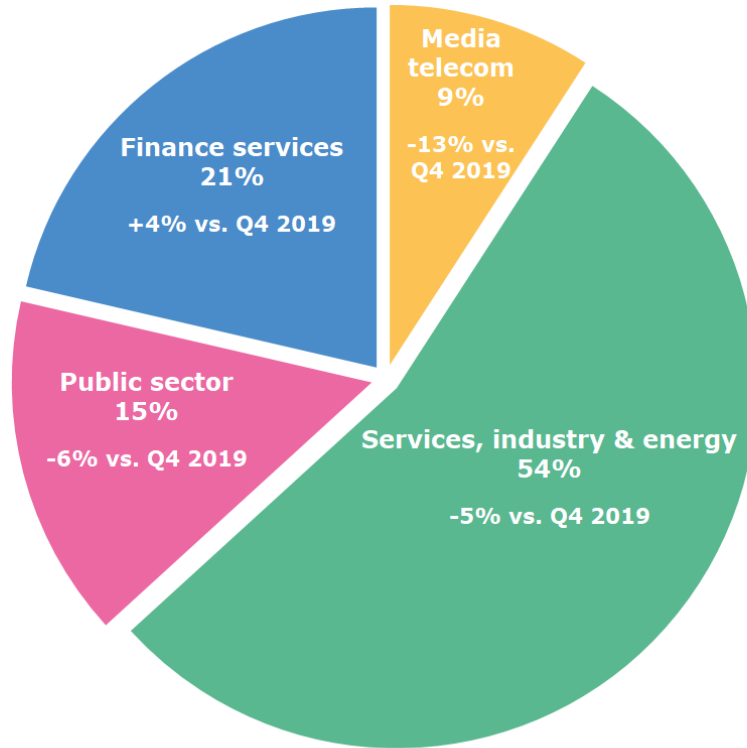


## Revenue and operating margin by region

In millions of euros	2020	2019
<b>France</b>		
Group contribution	341.5	352.1
Operating margin	41.8	46.3
In % of Group contribution	12.2%	13.1%
<b>Northern Europe &amp; Benelux</b>		
Group contribution	216.4	204.7
Operating margin	25.1	16.9
In % of Group contribution	11.6%	8.3%
<b>Central Europe</b>		
Group contribution	69.9	81.6
Operating margin	4.7	4.5
In % of Group contribution	6.8%	5.5%
<b>Iberia &amp; Latam</b>		
Group contribution	76.3	69.0
Operating margin	7.1	6.5
In % of Group contribution	9.3%	9.5%
<b>Rest of the world</b>		
Group contribution	61.7	56.8
Operating margin	6.2	7.1
In % of Group contribution	10.0%	12.5%
<b>Corporate &amp; other</b>		
Group contribution	(5.4)	(4.1)
Operating margin	(11.1)	(2.5)
<b>Divestments</b>		
Group contribution	0.0	1.8
Operating margin	(0.0)	0.1
In % of Group contribution	-151.1%	8.3%
<b>Total</b>		
Group contribution	760.4	761.9
Operating margin	73.7	79.0
In % of Group contribution	9.7%	10.4%



**Customer segmentation**



**Q4 top clients**

**Top 3 (12%)**

BNP Paribas  
Major electricity provider  
CA / CL

**Next 7 (15%)**

Société Générale  
ENGIE  
Liberty Global  
Carrefour  
SNCF  
IKEA  
Airbus Group

**Utilization rate of internal resources**

Q1 2019	Q2 2019	Q3 2019	Q4 2019	2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	2020
82.3%	83.1%	84.0%	84.5%	83.5%	82.3%	78.4%	79.6%	81.9%	80.6%



## Balance sheet

In millions of euros	31.12.2020	31.12.2019
<b>Assets</b>		
Goodwill	146.7	136.6
Non-current assets	75.0	78.7
Current assets	304.6	287.6
Net cash (debt) <sup>(1)</sup>	119.8	48.0
<b>Total assets</b>	<b>646.1</b>	<b>550.8</b>
<b>Liabilities</b>		
Group shareholders' equity	214.7	196.3
Minority shareholders' equity	16.5	15.1
Long term liabilities	70.3	58.1
Current liabilities	344.6	281.4
<b>Total equity &amp; liabilities</b>	<b>646.1</b>	<b>550.8</b>

<sup>(1)</sup>Cash position net of all financial debts, excluding debts related to operating leases under IFRS 16 "leases".

## Net cash

In millions of euros	31.12.2020	31.12.2019
Short-term investments	10.1	0.1
Cash at bank <sup>(2)</sup>	144.5	81.5
Bank overdrafts (liability)	(1.5)	(0.1)
<b>Cash and cash equivalents</b>	<b>153.1</b>	<b>81.6</b>
<b>Cash management assets</b>	-	-
Bonds	-	(29.9)
Obligations under finance leases	-	-
Draw-downs on bank and similar facilities and other borrowings	(1.7)	(1.9)
<b>Long-term borrowings</b>	<b>(1.7)</b>	<b>(31.8)</b>
Bonds	(30.4)	(0.4)
Obligations under finance leases	-	(0.0)
Draw-downs on bank and similar facilities and other borrowings	(1.2)	(1.3)
<b>Short-term borrowings</b>	<b>(31.6)</b>	<b>(1.8)</b>
<b>Total borrowings</b>	<b>(33.3)</b>	<b>(33.6)</b>
Derivative instruments	-	-
<b>Net cash (debt)<sup>(1)</sup></b>	<b>119.8</b>	<b>48.0</b>
Of which cash from discontinued operations	-	-
<b>Total Equity</b>	<b>231.2</b>	<b>211.4</b>
<b>Debt to Equity Ratio</b>	<b>-51.8%</b>	<b>-22.7%</b>

<sup>(1)</sup>Excluding debts related to operating leases under IFRS 16 "leases".

<sup>(2)</sup>Including factoring position (net of deposit) for €11.4 million on 31 December 2020, €14.2 million on 30 June 2020 and €11.5 million on 31 December 2019.



## Changes in exchange rates

For €1	Average rate 2020	Average rate 2019	Variation
UAE dirham	4.195	4.111	-2.0%
Swiss franc	1.071	1.112	3.9%
Czech koruna	26.455	25.671	-3.0%
Danish krone	7.454	7.466	0.2%
Pound sterling	0.890	0.878	-1.3%
Indonesian rupiah	16627.369	15835.300	-4.8%
Moroccan dirham	10.827	10.762	-0.6%
Mexican peso	24.519	21.557	-12.1%
Norwegian krone	10.723	9.851	-8.1%
Zloty	4.443	4.298	-3.3%
Serbian dinar	117.579	117.823	0.2%
Swedish kronor	10.485	10.589	1.0%
Singapore dollar	1.574	1.527	-3.0%
Tunisian dinar	3.197	3.274	2.4%
Turkish lira	8.055	6.358	-21.1%
US dollar	1.142	1.120	-2.0%

## Glossary

France: France.

Northern Europe & Benelux: Belgium, Denmark, United Kingdom, Luxembourg, Netherlands, Norway and Sweden. It also includes TMNS in Germany and in Serbia, Jayway in the United States, Avalon Solutions in Poland, in Singapore and in the USA.

Central Europe: Austria, Switzerland, Czech Republic, Germany and Slovakia.

Iberia & Latam: Spain, Mexico, Panama and Portugal.

Rest of the world: Middle East, Italy, Morocco, Tunisia and Turkey.

Corporate: headquarter activities which cannot be allocated directly to the operational regions, and discontinued operations.

Divestments: in 2019, it includes NauOn (Bold) deconsolidated from 30 June 2019, Devoteam Poland deconsolidated from 1 July 2019, and Precise Lda and EHC Lda deconsolidated from 1 November 2019. In 2020, it includes Catalix deconsolidated from 1 April 2020.





Revenue and group contribution: the revenue of a region is the contributive revenue and is defined as the total revenue (internal and external) of the region minus the costs of internal subcontracting. It reflects the contribution of the region to the revenue of the Group produced with its own resources. The sum of the contributions of the regions corresponds to the consolidated revenue of the Group.

Operating margin: current operating result excluding the amortization of intangible assets resulting from acquisitions and the cost of share-based payments.

Like-for-like or I-f-I variation: variation at comparable perimeter and exchange rates. The currency impact is calculated by translating the accounts for year N of subsidiaries having a functional currency different than euro with N-1 exchange rates.

The impact of changes in the scope of consolidation is determined:

- for the year N acquisitions, by deducting from total revenue N, the amount of revenue generated during year N by the acquired entities;
- for the year N-1 acquisitions, by deducting from total revenue N, the amount of revenue generated during year N over the months during which the acquired entities were not consolidated in N-1;
- for the year N disposals, by deducting from total revenue N-1, the amount of revenue generated during year N-1 over the months during which the divested entities were no longer consolidated in N;
- for the year N-1 disposals, by deducting from total revenue N-1, the amount of revenue generated during year N-1 by the divested entities.

Utilization rate of resources: number of working days of billable employees that were billed to a client compared to the total number of available days excluding holidays.

Attrition rate: number of billable employees leaving the Group during the period compared to the average billable headcount over the same period.

Free cash flow: operating cash flow reduced by the acquisition of tangible and intangible assets. From 1 January 2019, the operating cash flow is restated of IFRS 16 "leases" to maintain the lease payments in operating cash flow.

Net cash (debt): cash position net of all financial debts, excluding debts related to operating leases under IFRS 16 "leases".



## ABOUT DEVOTEAM

At Devoteam, we deliver innovative technology consulting for business.

As a pure player for Digital Transformation of leading organisations across EMEA, our 7,600 professionals are dedicated to ensuring our clients win their digital battles. With a unique transformation DNA, we connect business and technology.

Present in 18 countries in Europe and the Middle East, and drawing on more than 20 years of experience, we shape Technology for People, so it creates value for our clients, for our partners and for our employees.

Devoteam achieved revenues of €760.4 millions in 2020.

At Devoteam, we are Digital Transformakers.

Devoteam SA (DVT) is listed in the B Compartment of Euronext Paris (ISIN : FR 0000073793), part of indices CAC All Shares, CAC All-Tradables, CAC Mid&Small, CAC Small, CAC SOFT. & C.S., CAC TECHNOLOGY and ENT PEA-PME 150.

### Executive Board

Stanislas de Bentzmann,  
Co-CEO  
stanislas.de.bentzmann@devoteam.com

### Financial communication

Vivien Ravy,  
Investor Relations Director  
vivien.ravy@devoteam.com

### Press contact

Hopscotch  
devoteam@hopscotch.eu  
+33 6 89 25 54 82

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

