

## Solid 2020 FY earnings in an unprecedented context

Revenue exceeds expectations, at €235.2 million

Current operating margin (excluding free shares granted) of 9% of sales

Exceptional dividend to be proposed at the General Meeting: €1.60 per share

## Outlook for 2021: heading for a new phase of growth

**Infotel, (ISIN Code: FR0000071797 - Ticker: INF), the leading partner in digital transformation for key accounts in Europe,** today announced the publication of its 2020 financial statements, as approved by the Board of Directors at its meeting of 10 March 2021 and audited by the Company's statutory auditors.

In € million at 31 December (audited accounts - IFRS)	2020	2019	Change
<b>Consolidated revenue</b>	<b>235.2</b>	<b>248.4</b>	<b>-5.3%</b>
<i>o/w Services</i>	226.9	239.9	-5.4%
<i>o/w Software</i>	8.4	8.5	-1.4%
Personnel expenses	(104.4)	(105.3)	-0.9%
External expenses	(102.4)	(110.3)	-7.1%
<b>EBITDA<sup>1</sup></b>	<b>24.8</b>	<b>28.6</b>	<b>-13.3%</b>
Depreciation, amortization, and provisions	(7.8)	(6.3)	+23.9%
<b>Current operating income (expense) excl. free shares granted</b>	<b>21.3</b>	<b>25.9</b>	<b>-18.1%</b>
<i>as a % of revenue</i>	9.0%	10.4%	NA
<b>Current operating income</b>	<b>16.8</b>	<b>22.4</b>	<b>-25.3%</b>
<i>as a % of revenue</i>	7.1%	9.0%	NA
<b>Operating income (expense)</b>	<b>17.8</b>	<b>22.4</b>	<b>-20.5%</b>
Financial income (expense)	(0.5)	(0.2)	NA
Income tax	(7.7)	(9.0)	-14.9%
<b>Group share of net income</b>	<b>9.4</b>	<b>12.9</b>	<b>-27.2%</b>
<i>as a % of revenue</i>	4.0%	5.5%	NA

*These financial statements were audited and the associated certification reports are currently being prepared.*

<sup>1</sup> EBITDA is calculated as follows: Current operating income + depreciation, amortisation and provisions – provisions for current assets + provisions for disputes + amortisation of research tax credit + retirement provisions.

## Revenue exceeds expectations in 2020

Full-year revenue for 2020 declined 5.3% to €235.2 million, which was better than the target set in October (expected decline of 7-8%)<sup>2</sup>.

The gradual recovery recorded in the fourth quarter testifies to the resilience of **Infotel's** business model in the face of a major public health crisis.

For the **Services** division, several sectors made larger contributions to revenue compared with 2019: Banking (41.0%, vs. 36.1% in 2019), Insurance/Pensions (14.2% vs. 12.5%), and Administrations (3.1% vs. 2.0%). Meanwhile, other sectors contributed lower amounts: Industry (24.5% vs. 28.2%) and Services (17.1% vs. 21.2%).

The second half of the year saw a rally in business activity at Air France and Stellantis, while the situation at Airbus stabilised. In the banking sector, repeat business is still going strong.

Overall, the Group's extensive use of teleworking ensured business activity was able to continue in good conditions.

The freeze on recruitment, due to the lack of visibility and the use of subsidised leave, resulted in a stable headcount of 2,371 employees at the end of December. At that date, there were only about 10 employees still on subsidised leaves. The inter-contract rate remained very low at 3.2% for the year.

For the **Software** business, revenue was stable at €8.4 million in 2020, of which €4.5 million in IBM royalties for the full year.

Despite the sharp slowdown in the airline sector, the Group notched up several contracts for Orlando, the software solution developed to assist with technical documentation and aircraft maintenance. **Infotel** signed agreements with industry leaders, such as American Airlines, Flyadeal (subsidiary of Saudia), and Spirit Airlines, a US airline company, as well as Emerald Airlines at the start of the year.

## Current operating margin of 9% of sales, excluding free shares granted

Current operating income came to €21.3 million in 2020 (excluding the free shares granted to the Group's key managers, in the amount of €4.5 million) implying a **current operating margin of 9%**.

Factoring in the free shares granted, current operating income works out to €16.8 million, which was achieved despite the contraction in activity caused by the public health crisis.

After accounting for income tax expense, Group net income came to €9.4 million, implying a net margin of 4.0% of total revenue for the full year.

## Strengthened financial position

The balance sheet shows a total of €227.6 million at 31 December 2020, compared with €205.5 million at 31 December 2019.

Shareholders' equity increased to €98.7 million from €92.7 million a year earlier.

As a result of the application of IFRS 16, the Group recorded an increase in non-current assets including rights of use in a net amount of €31.2 million. The Group did not have any financial liabilities at 31 December 2020. At the end of the financial year, Infotel had €99.1 million in disposable cash, up from €74.6 million at 31 December 2019.

---

<sup>2</sup> Press release of 21 October 2020

## Exceptional dividend of €1.60 per share proposed for 2020

At the General Meeting on 19 May 2021, Infotel's Board of Directors will propose the payment of an **exceptional dividend of €1.60 per share** in respect of 2020, to compensate for the free shares granted to certain company managers. Management's decision to pay a high dividend testifies to its confidence that the rally in growth will become a firm trend in 2021.

## Outlook for 2021: heading towards a new phase of growth

Despite the lack of visibility due to the ongoing public health crisis, the Group expects to get back on the growth path in 2021, starting at a moderate pace in the first half then picking up speed in H2 2021. Short of a worsening in the public health situation, **Infotel** is aiming to restore revenue and operating profitability to levels on a par with 2019 in the 2021 financial year.

### *Upcoming events*

**General Meeting: 19 May 2021– 2.30 p.m.**  
**Publication of Q1 2021 revenue: 19 May 2021**

## About Infotel

Listed on Compartment B of Euronext Paris since January 1999 (ISIN code: FR0000071797), **Infotel** specialises in information management systems for key accounts, from mobile to very high-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 €235.2 million in 2020 and employs over 2,370 people.

---

### **Contacts**

#### **Infotel**

*Michel Koutchouk*  
*Chief Executive Officer*  
*Tel.: +33 (0)1 48 97 38 38*  
*michel.koutchouk@infotel.com*

#### **Actifin**

**Financial Communication**  
*Ghislaine Gasparetto*  
*Tel.: +33 (0)1 56 88 11 11*  
*ggasparetto@actifin.fr*