

H1 2023 results: solid operating profitability

Revenue: €158.5m

Current operating income: €14.6m¹

Current operating margin: 9.2% of revenue ¹

Net income Group share: €9.5m

Ahead of 2026 targets

Infotel, (ISIN: FR0000071797 - ticker: INF), the leading digital transformation partner for key accounts in Europe, today announced the publication of its financial statements for the first half of 2023, as approved by the Board of Directors at its meeting on Wednesday, September 20, 2023 following a limited review by the Company's statutory auditors.

In €m, at June 30 (Limited review)	H1 2023	H1 2022	% change 2023 / 2022
Consolidated revenue	158.5	149.3	+ 6.2%
<i>o/w Services</i>	152.7	144.6	+ 5.6%
<i>o/w Software</i>	5.8	4.7	+ 23.4%
Personnel expenses	(62.9)	(57.1)	+ 14.8%
External costs	(74.6)	(71.4)	+ 4.5%
EBITDA ²	18.3	18.2	+ 0.5%
<i>% of revenue</i>	11.6%	12.2%	
Depreciation, amortization and provisions	(5.0)	(4.2)	+ 4.3%
Current operating profit excluding free shares	14.6	14.1	+ 3.4%
<i>% of revenue</i>	9.2%	9.5%	
Current operating income (expense)	13.4	14.1	-5.9%
<i>% of revenue</i>	8.5%	9.5%	
Operating income (expense)	13.4	14.1	-5.9%
Net financial income	0.5	(0.1)	<i>na</i>
Taxes	(4.0)	(3.8)	+ 9.4%
Net income Group share	9.5	9.8	-5.2%
<i>% of revenue</i>	6.0%	6.6%	

¹ Excl. free shares.

² EBITDA = Current operating income + depreciation, amortization and provisions – provisions on current assets + provisions for litigation + amortization of CIR research tax credit + provisions for retirement benefits.

Solid operating profitability

In a dynamic market environment driven by the digital transformation of major accounts, **Infotel** posted organic revenue growth of +6.2% to €158.5m in the first half of 2023, continuing to outperform its reference market, up +4.2%³ over the period.

The **Services** business posted revenue of €152.7m (96% of revenue), up +5.6%, driven mainly by the Banking/Finance sector (39.8% of Services revenue) and the Industry sector - and in particular the Aeronautics sector (27.3 % of Services revenue). The Services/Transport sector contributed 18.0%, Insurance/Retirement 11.4% and Administration 3.5%.

308 gross recruitments were made over the period, bringing the total headcount to 3,144 at June 30, 2023. The inter-contract rate was 2% on average over the first half of the year, up slightly, although remaining among the lowest on the market, under the effect of a one-off project arbitrage of a major account in the banking sector. To date, the inter-contract situation has returned to normal with its historical low interest rates. The turnover rate remains low at 12.4%, reflecting the Group's ability to attract new talent and retain its employees sustainably.

Revenue from the **Software** business amounted to €5.8m, up sharply by +23.4%, including €2.3m in stable IBM royalties.

Orlando, a technical documentation software suite for the aviation sector, continued its growth trajectory with the signing of new contracts (Air Caledonia, Canaryfly, Air Caraïbes, Cebu Pacific, etc.), a doubling of its revenue to €1.2m and a solid commercial pipeline in advanced discussions.

Current operating income excluding free shares amounted to €14.6m, up +3.4%, representing a current operating margin of 9.2% of revenue (-0.3 points). This trend reflects a higher number of public holidays over the period combined with the occasionally higher inter-contract rate.

After the recognition of free shares awarded to certain Group employees in H1 2023 for €1.2m, **operating income** amounted to €13.3m, down 5.9%.

Net income came out at €9.4m, representing a net margin of 6.0% over the period.

Sound balance sheet structure

Total assets amounted to €238.7m at June 30, 2023, compared with €233.6m at June 30, 2022. Shareholders' equity also increased to €109.9m compared with €102.5m one year earlier.

The Group had no financial liabilities at June 30, 2023. Cash at the end of H1 2023 stood at €88.2m versus €94.1m at June 30, 2022, including the payment of dividends during the period for €13.8m.

Ahead of 2026 targets

In a structurally buoyant environment, **Infotel** is pursuing its strategic roadmap. **Infotel** is confident of continued growth momentum in the second half of 2023 and expects to achieve a current operating margin at least equal to that of the first half of the year.

Upcoming events

Publication of Q3 2023 revenue: Wednesday, October 25, 2023 after market close

³ Wide angle on Digital Services & Engineering and Technology 2023: KPMG x Numeum study - September 15, 2023

About Infotel



Listed on Compartment B of Euronext Paris since January 1999 (ISIN FR0000071797), **Infotel** specializes in digital transformation for major 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 €300.4m in 2022 and employs more than 3,000 people.

Contacts

Infotel

Michel Koutchouk

Chief Executive Officer

Tel.: 01 48 97 38 38

michel.koutchouk@infotel.com

Actifin

Ghislaine Gasparetto

Financial communication

Tel.: 01 56 88 11 22

ggasparetto@actifin.fr

Actifin

Jennifer Jullia

Financial press relations

Tel. 01 56 88 11 19

jjullia@actifin.fr