

Temporary slowdown in growth in Q1 2024
Optimism for the second half with a rebound expected
Distribution of a dividend of €2 per share for 2023

Infotel, (ISIN: FR0000071797 - ticker: INF), the leading digital transformation partner for key accounts in Europe, today published its revenue for Q1 2024.

Revenue <i>(in €m)</i>	2024	2023	Change 2024 / 2023
Q1	79.1	83.8	-5.6%
- o/w Services	75.8	80.4	-5.7%
- o/w Software	3.2	3.4	-4.9%

Performance reflecting a temporary slowdown in IT investments

Revenue for Q1 2024 amounted to €79.1m, down 5.6% as the market slowed. The total includes a calendar effect of one less day, equivalent to around 1.4% of revenue, and an unfavorable basis of comparison. Business activity with service centers, a source of strong recurring revenue, offset the wait-and-see attitude of some of our major clients.

Services revenue fell by 5.7% over the period to €75.8m, resulting primarily from the reduction in budgets in the Banking sector, leading to the postponement or suspension of some projects. Some other projects in the Insurance sector have been re-internalized.

However, sales remain extremely strong, with the company having won several new substantial projects from existing clients Covéa, Banque de France and Stellantis and from new key accounts, including Vinci.

Several proofs of concept in AI were presented at ADP, BPCE and companies in Monaco, potentially leading to consulting assignments in the second half of the year.

Our business with Airbus in Canada and the USA is growing and our subsidiaries in India and Morocco are pursuing their strong growth trajectory.

The Banking sector accounted for 37.6% of Services business in Q1 2024, down sharply compared with Q1 2023. The Industry sector, driven by Airbus, Stellantis and Nissan, and the Services sector, which includes Air France and Enedis, both posted increases and accounted for 27.7% and 19.3% of Services revenue respectively. Insurance accounted for 11.0% of the total.

With 90 gross recruitments over the quarter, the inter-contract rate stood at 3.4% on average over the quarter. This improved trend was confirmed by a slight growth in revenue in Q1 2024 compared with Q4 2023.

Software revenue fell a slight 4.9% to €3.2m in Q1 2024. IBM royalties rose to €1.5m over the quarter, compared with €1.0m in Q1 2023, and two new Orlando suite contracts were signed with SAS and Indigo. Some leading airlines are expected to confirm their decision on implementing the Orlando suite in their fleet in the near future.

Launched in February, the framework agreement signed with Airbus to equip all the brand's aircraft with the Orlando suite is expected to generate initial revenues as early as this year and thus fuel growth in FY 2024. To further boost the Software activity, the Group has set up a new cross-functional structure that will also be a testing ground for the development of new software.

Payout of a dividend of €2 per share

Today's General Meeting confirmed the payout of a dividend of €2 per share. The dividend will be paid on May 31 after detachment of the coupon on May 29.

Optimism for the second half

With a firmly established position as a preferred partner for key accounts, as well as strong profitability and financial solidity, **Infotel** remains optimistic that it will return to growth in the second half of the financial year.

Upcoming event

H1 2024 revenue: July 31, 2024, after the markets close

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 €307.5m in 2023 and employs nearly 3,400 people.

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