



H1 2021 results: EBITDA: €22.6m, +23.1%

	H1 2020	H1 2021	Change
REVENUE	78.5	75.9	-3.3%
EBITDA <i>% of revenue</i>	18.4 23.4%	22.6 29.8%	+23.1%
OPERATING INCOME <i>% of revenue</i>	9.8 12.5%	15.3 20.2%	+57.0%
NET INCOME <i>% of revenue</i>	7.6 9.7%	11.0 14.5%	+44.6%

Rounded, audited figures (€m)

Neuilly-sur-Seine, 13 September 2021 - Linedata (LIN:FP), the global solutions and outsourcing services provider for asset management, insurance and credit professionals, today published its financial indicators for H1 2021.

The Group generated revenue of €75.9m in the first half, down 3.3% on reported data but up 0.7% at constant exchange rates.

The Lending & Leasing segment posted organic growth of 7.2% year-on-year, largely driven by client migrations to the new version of Linedata Ekip³⁶⁰. The Group thus confirmed its solution as a major platform for Credit and Financing players both in France and internationally. The Asset Management division recorded a slight drop of 2.1% on a like-for-like basis, mainly due to a decline in its back-office business. Conversely, opportunities for the new AMP offering led to robust growth in consulting with the installed client base and the signing of new clients, particularly Hedge Funds.

EBITDA was €22.6m, up 23.1% year-on-year. It should be noted, however, that financial year 2020 included restructuring costs associated with the pandemic, recruitment needs were not fully met in H1 2021 and travel costs remained very low. Restated for these cost differentials, estimated at around €3m for H1 2021, normalized EBITDA stood at 26%. The EBITDA margin improved in each segment, reflecting the strength of Linedata's business model.

EBITDA margin	H1 2020	H1 2021
Asset Management (*)	24.9%	29.2%
Lending & Leasing	19.7%	31.1%
Total	23.4%	29.8%

(*) The "Other" segment, comprising insurance and pension savings, was incorporated in the Asset Management division.



Analysis of results

Operating income was €15.3m, representing a more significant gain of 57.0%, thanks in large part to the decrease in amortisation of intangible assets related to acquisitions.

The financial results of -€0.9m was almost unchanged from -1.0m in 2020. At €3.4m, income tax was up €2.2m, mainly due to a tax charge in 2020 arising from the retroactive implementation of the IP Box system in financial year 2019.

Net income for H1 2021 was €11.0m, representing a net margin of 14.5%.

Balance sheet analysis

At 30 June 2021, shareholders' equity amounted to €124.7m, up €3.2m compared to 31 December 2020. This included in particular the recognition of the dividend payable (€8.8m) and the acquisition of the company's own shares (€3.4m).

The Group continued its deleveraging efforts in the first half, restructuring its long-term loans in June 2021. The bond debt of €35m maturing in May 2022 was repaid in advance alongside other bank loans totalling €21m. In exchange, Linedata set up new debt of €56m with a bank pool, maturing in 6 years, thus enjoying a longer debt maturity, greater repayment flexibility and more attractive financial terms. Excluding the impact of IFRS 16 lease liabilities, net debt amounted to €47.7m at 31 June 2021, a decrease of €19.4m compared to end-2020, representing 1.0x EBITDA over a rolling 12-month period.

Outlook

Despite ongoing covid uncertainties, Linedata expects to achieve in 2021 a second year of stable transition versus 2020.

Next publication: Q3 2021 revenue out 21 October 2021

ABOUT LINEDATA

With 20 years' experience, 20 offices covering 50 countries throughout the world, 700 clients and 1,100 employees, Linedata combines technology and human input to provide asset management, insurance and lending professionals with global solutions. Linedata supports companies as they develop and bolsters the growth of its clients.

Linedata generated revenues of €161.0 million in 2020. Linedata is listed on the Euronext Paris stock exchange Compartment B, FR0004156297-LIN - Reuters LDSV.PA - Bloomberg LIN:FP

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