

econocom

ECONOCOM ANNOUNCES ITS “E FOR EXCELLENCE” STRATEGIC PLAN AND AIMS TO DOUBLE ITS RECURRING OPERATING PROFIT ONCE AGAIN TO REACH €300 M BY 2022.

Today Econocom Group is presenting its “e for excellence” strategic plan and its growth prospects for 2022.

THE SUCCESS OF AN ORIGINAL, ROBUST MODEL TO SUPPORT DIGITAL TRANSFORMATION

Econocom Group is now a recognised European player in the digital transformation of companies. Its dynamic is based on a unique positioning combining technological expertise with innovative financing. The group thus benefits from both the magnitude of the digital industrial revolution and the underlying trend whereby use is overtaking ownership.

Its original “One Galaxy” development model, consisting of the Econocom “Planet” and its “Satellites,” has enabled the group to attract talented entrepreneurs from the digital sector specialising in strategic fields such as security, mobility, web, multimedia, cloud, and digital business solutions. These medium-size “Satellites” are an ideal complement to the group’s historic businesses and act as a growth accelerator.

In ten years, the group has increased its revenue fourfold and its recurring operating profit sixfold, while safeguarding the long-term interests of its shareholders. In addition, Econocom enjoys a healthy financial position, which was bolstered this year by the early conversion of the “ORNANE” bonds. The group has thus renewed its debt capacity to conduct a new development phase.

With these assets and the success of its previous plans, the group is presenting an ambitious new strategic plan: “e for excellence.”

A NEW PLAN THAT PUTS ECONOCOM RIGHT AT THE HEART OF THE REVOLUTION OF USES

Digital is continuing to revolutionise all industry sectors. Against this background, it is Econocom’s mission to unleash companies’ digital capacities.

Users everywhere have taken control and are demanding of companies the best standards of the B2C market. The challenges are therefore no longer just technological: the success and impact of digital transformation projects require in-depth knowledge of uses and high end-customer and employee satisfaction. To stay agile, companies are looking for partners that can provide effective, flexible, complete, end-to-end solutions.

Econocom aims to offer these seamless, integrated solutions and achieve excellence in terms of delivery in order to guarantee the same degree of satisfaction that users experience in their personal uses.

STRONG AMBITIONS FOR PROFITABLE GROWTH

Econocom aims by 2022 to:

- double its recurring operating profit¹ to €300 million, i.e. an operating margin of around 7.5%;
- achieve revenue of €4 billion, with an average annual growth rate of c.7% during the period.

The new Management team, led by Robert Bouchard, Chief Operating Officer, will mobilise four major levers to achieve these objectives:

1. Renew the offers of the Econocom Planet and radically transform the user experience to achieve the best standards of the B2C market.
2. Develop growth drivers based on the group's main strengths: the complementary nature of its business lines and its financing know-how. The group will thus be focusing its efforts on pay-per-use, integrated digital solutions. It will also be developing financing for assets outside the traditional IT perimeter, to support its clients' modernisation projects.
3. Conduct growth plans for the "Satellites." For this it will be focusing on cross-disciplinary solutions, synergies with the Planet, geographical expansion, and developing new technology bricks.
4. Continue its selective acquisition policy, with two objectives: developing new expertise in key areas (Consulting, Data Analytics, the Internet of Things, etc.) and deploying the full model (financing, services, procurement) in the UK and Germany.

Jean-Louis Bouchard, Chairman and Chief Executive Officer of Econocom, said:

"Econocom Group enjoys a unique positioning in the digital market, which is continuing to revolutionise the economy and society. In this ever-changing world, it is our mission to boost our clients' agility with innovative, flexible solutions that address users' increasing expectations.

The direction set by the new strategic plan focuses on excellence, which is essential for building high-quality integrated digital solutions that deliver optimal performance. This will also allow the group's leaders and Econocom's vital forces to mobilise and align their initiatives, energies and talents.

To support this ambition, we have renewed our Management team, led by my son Robert, who took over as Group Chief Operating Officer this year. I am enthusiastic and confident as we enter this new era."

The presentation of the "e for excellence" plan will be available at 9:30 am on the group's website:
<https://finance.econocom.com/en/news/presentations>

Next press release: the Q3 2017 revenue statement will be published after the close of trading on 19 October 2017.

ABOUT ECONOCOM

Econocom finances and accelerates companies' digital transformation. With 10,000 employees in 19 countries and revenue in excess of €2.5 billion, Econocom has all the requisite abilities to ensure the successful implementation of large-scale digital projects: consulting, sourcing and technology management & financing of digital assets, infrastructure, application and business solution services, and project financing. Econocom has adopted European company status (*Societas Europaea*). The Econocom Group share has been listed on Euronext Brussels since 1986. It is part of the BEL Mid and Family Business indices.

FOR FURTHER INFORMATION

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¹ Before amortisation of intangible assets from acquisitions