

PRESS RELEASE

Third-quarter revenues

FY 2017-18

Paris, February 15, 2018 – 8pm



Nine-month revenues up +9% to €19.6 million Positive trends maintained in the third quarter

Third-quarter highlights

The GECI International Group (“the Group”) ramped up its development in this third quarter, with strong growth in staffing levels, up from 420 people at September 30, 2017 to 465 at January 31, 2018.

Following the strategic repositioning of the EOLEN and ETUD Integral subsidiaries, France shows a solid level of growth, while the international business has continued to develop strongly in both South Africa and Brazil.

Alongside this, the Group has further strengthened the geographical diversification of its operations with a view to supporting its growth strategy. These actions are notably reflected in:

- The integration at end-2017 of GECI Advanced Technologies, the Israeli subsidiary created to capitalize on local technological developments in key high-potential markets. This integration’s impact on revenues is not significant.
- The strategic cooperation agreement signed at the start of January with Triplecyber, a leading Israeli cybersecurity firm, to develop a range of IT security solutions in France, Belgium, Luxembourg, Switzerland, Portugal and Brazil, based on the Group’s French and Brazilian subsidiaries.

Change in revenues for each quarter

Third-quarter revenues climbed to €7.11 million, up from €6.49 million for the third quarter of the previous year, with +9.7% organic growth. For the first nine months of the year, revenues are up +9% to €19.6 million, including a positive scope effect for €1.1 million in the first quarter linked to ETUD Integral’s consolidation since June 2016. The foreign exchange effect is not significant.

€M (unaudited consolidated data)	FY 2017-18	FY 2016-17	Change
1st quarter (April-June)	6.49	5.50	+ 18.0%
2nd quarter (July-September)	6.00	6.00	+ 0%
3rd quarter (October-December)	7.11	6.49	+ 9.7%
Nine-month revenues	19.6	17.98	+ 9%

Change in nine-month revenues for each business

Business line	(April-December 2017)		(April-December 2016)		Change (%)
	€M	% of rev	€M	% of rev	
IT & Telecoms	10.82	55.2%	9.35	52.0%	+ 15.7%
Engineering	5.30	27.0%	4.26	23.7%	+ 24.4%
Finance	3.28	16.7%	4.31	24.0%	- 23.9%
Holding	0.20	1%	0.06	0.3%	+ 333.3%
Combined revenues	19.6	100.0%	17.98	100.0%	+ 9%

- **IT & Telecoms division**

The “IT & Telecoms” division is reporting €10.82 million of revenues for the first nine months of the year, representing 55.2% of consolidated revenues at December 31, 2017.

In France, the division’s offers (network engineering, embedded IT, web and business application development, and big data) all show positive trends thanks to a growing and recurrent volume of business. The strong trends for High Performance Computing (HPC) offers highlight the success of the business differentiation strategy.

In Brazil, in an improving economic environment, sales climbed to BRL 12.37 million for the first nine months of the year, compared with BRL 9.6 million for the same period the previous year. The Telecoms sector recorded strong growth in the last quarter, with this trend expected to continue in 2018 thanks to the market’s dynamic development, driven by extensive work to modernize Brazil’s telecommunications networks.

- **Engineering division**

The “Engineering” division generated €5.30 million of revenues over the first nine months of the year, representing 27% of consolidated revenues at December 31, 2017.

In France, the division is consolidating its positions by further strengthening its relations with major contracting authorities and expanding its range of services, particularly with new solutions for urban and interurban mobility. Its gradual premiumization in high-potential sectors such as renewable energies, water treatment or electric vehicles will make it possible to further strengthen its development over the medium term.

In South Africa, the Group’s subsidiary has achieved sustained revenue growth (\$1.47 million for the first nine months, versus \$0.63 million for the same period the previous year). This performance reflects the robust development of business with specialized training programs for highly regulated industries.

- **Finance division**

The “Finance” division recorded €3.28 million in revenues for the first nine months of the year, representing 16.7% of consolidated revenues at December 31, 2017.

The division is moving forward with its withdrawal from certain low value-added services and redeploying on higher value segments such as consulting and security for the banking, finance and insurance industries.

Geographic mix

France represents 78.6% of revenues for the first nine months, compared with 82% the previous year. Sales in South Africa and Brazil show strong growth.

Region	(Apr-Dec 2017)		(Apr-Dec 2016)		Change
	€M	% of rev	€M	% of rev	
France	15.41	78.6%	14.83	82%	+ 3.9%
Brazil	2.93	15%	2.59	15%	+ 13.1%
South Africa	1.26	6.4%	0.56	3%	+ 225.0%
Nine-month revenues	19.6	100%	17.98	100%	+ 9%

Outlook

In a fast-growing digital sector, the Group is forecasting full-year revenue growth of over 10% for FY 2017-18.

With stronger teams in place, the Group's ambition is to support its development and improve its profitability by focusing on expanding its client base, further strengthening the quality of its offers and optimizing costs across its subsidiaries. Alongside this, by capitalizing on its expert capabilities and establishing industrial partnerships, the Group is diversifying its business in high-potential segments such as cybersecurity or driverless vehicles.

With innovative solutions delivering strong value-added, the Group aims to capitalize on technological breakthroughs in the engineering, telecoms and IT sectors to support major industrial firms, SMEs and startups, ensuring the success of their digital transformation and designing smart services and solutions.

Next dates

- 2017-18 full-year revenues on May 15, 2018 (after close of trading).

GECI International - Smart Solutions for a Smart World

The GECI International Group, created in 1980, has established itself as a high-tech engineering specialist. Today, GECI International is targeting high-growth, strong value-added market segments, focusing in particular on engineering, IT, telecommunications and smart products and services. With its world-renowned credibility for advisory services, its expertise and its ability to deploy the most qualified skills, GECI International is supporting businesses with their digital transition and their efforts to design and develop new smart services and solutions.

GECI International - French limited company (société anonyme) with capital of €1,078,016.47
Registered office: 37-39 Rue Boissière - 75116 Paris – France - Paris trade and companies register: 326 300 969

GECI International is listed on the regulated market Euronext Paris – Compartment C and is part of the CAC Small and CAC Technology indices.
GECI International is eligible for the "SRD long only" since December 27, 2017.
ISIN (shares): FR0000079634 – GECP
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