

Tuesday 6 September 2011

2011 H1 RESULTS PRESENTATION

(1 January – 30 June 2011)

 **Business & Decision**

Patrick Bensabat

Chairman and Chief Executive Officer

Christophe Dumoulin

Deputy Chief Executive Officer





- The Group



- Financial Performance



- Outlook

Business & Decision is an international Consulting and Systems Integration Group

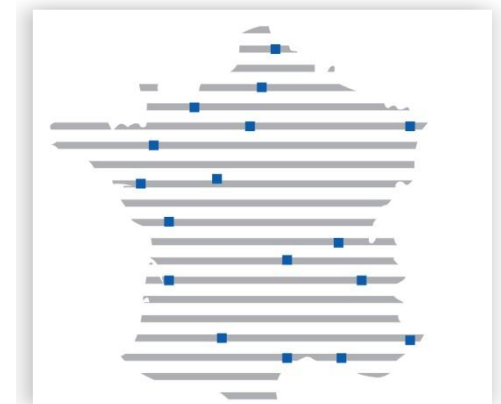
2010 Turnover: €237m, 49% of which was
generated by international operations



▶ 2,800 employees



▶ 19 countries across the world



▶ 17 agencies in France

➔ A MULTI-SPECIALIST GROUP

5 major expertise areas recognized by:

- ▶ The biggest international research firms
- ▶ Solution vendors who are leaders in the Group's expertise areas

BI/EPM

Amongst Gartner's 14 Magic Quadrant international players

Gartner

CRM

Amongst Gartner's 14 Magic Quadrant European players

Gartner

E-business

Amongst the 12 biggest design and web agencies of Europe for Forrester

FORRESTER

EIM

MDM/BRMS/SEARCH/ECM

Consulting

(Project ownership assistance/Consulting/ERP Change management)
Business & Decision University

➔ UNIQUE POSITIONING

A specialist's agility, expertise and innovation capacity coupled with a large IT services company's structure and standardized approach

EXPERTISE

- ▶ Perfect command of technologies
- ▶ Business processes knowledge
- ▶ Sector-specific expertise

INNOVATION

- ▶ Cloud Computing
- ▶ Mobility
- ▶ Business social networks
- ▶ Green Data Center

STANDARDIZATION

- ▶ Package offerings
- ▶ Shared tools and methods
- ▶ Dedicated or shared service centers

→ THE VALUE CHAIN

A complete service range to help elaborate, build, execute and successfully complete transformation projects

Consulting

- ▶ Management and Consulting
- ▶ Process optimization
- ▶ Solutions selection
- ▶ Audit

Integration

- ▶ Architecture
- ▶ Project management
- ▶ Implementation
- ▶ Audit

Execution

- ▶ Managed services
- ▶ Methodology
- ▶ Hosting
- ▶ Migration
- ▶ AMO/Third-party software testing

Drive adoption

- ▶ Training
- ▶ Continuous improvement
- ▶ Change Management

➔ 1,600 CUSTOMERS ACROSS THE WORLD

| | |
|-----------------------------|--|
| Banking and Insurance | |
| Life sciences | |
| Industry | |
| Telecoms and Media | |
| Retail and Distribution | |
| Public and Private services | |

➔ PERFECT COMMAND OF TECHNOLOGIES

Special relationship with partners who are value creators and catalysts

BI
EPM

SAS
QlikView
TERADATA
Raising Intelligence
MicroStrategy
Best In Business Intelligence™
INFORMATICA
The Data Integration Company™

CRM

salesforce.com
Success On Demand.™
neolane
marketing that delivers
Coheris

EIM

exalead
Orchestra
talend*
**open integration solutions*
TIBCO
The Power of Now®
Information Builders

E-business

Zend
The php Company
eZ
hybris software
THE AGILE RESPONSE
FatWire
SOFTWARE
Magento
LIFERAY
Enterprise. Open Source. For Life.
Adobe
ENDECA
Kony Solutions

Global
partners





SUMMARY

- Group



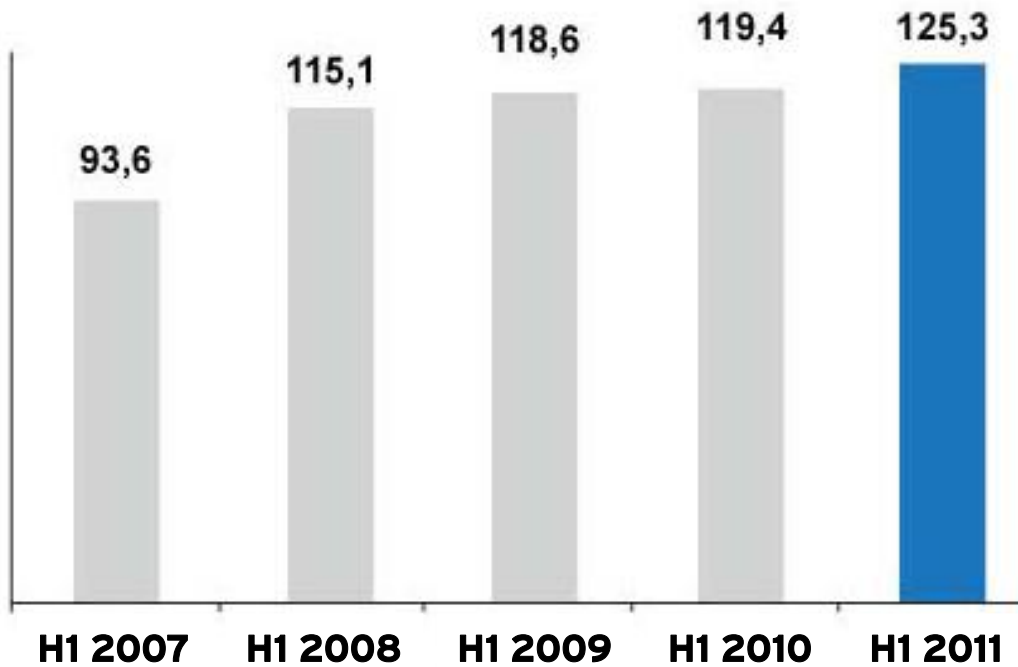
- Financial performance



- Outlook

➔ H1 TURNOVER

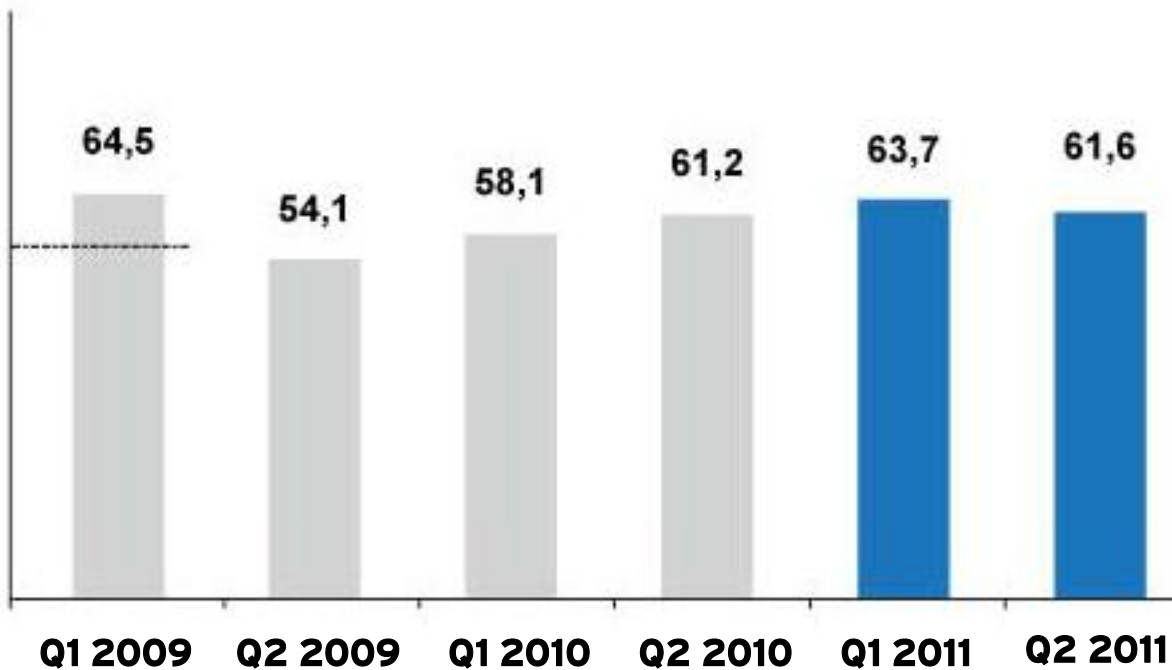
Consolidated turnover (€m)



- ▶ Global 2011 H1 turnover showing a gross increase of 5.0% as compared to the 2010 H1.
- ▶ A 5.4% growth at constant exchange rate.
- ▶ The growth rate for the 2011 H1 is 6.4% as compared to the 2010 H2.

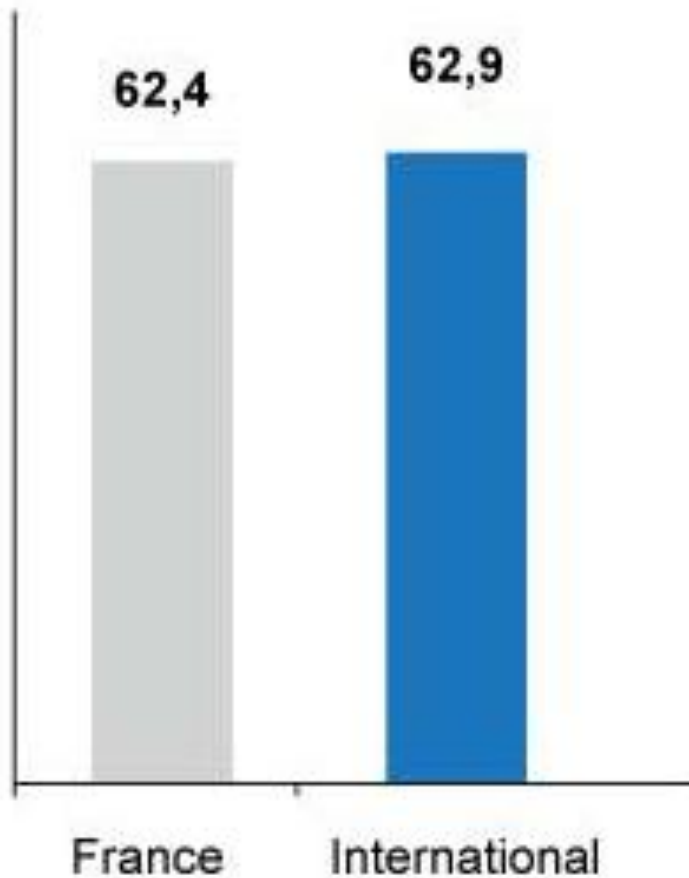
→ QUARTERLY TURNOVER

Consolidated Quarterly turnover (€m)



- ▶ Growth reported for 2011's H1 was mostly achieved during the first quarter.
- ▶ Turnover for 2011 Q1 has increased by 9.6% as compared to 2010's Q1.
- ▶ Despite some disruptions, activity level during 2011 Q2 was slightly higher than in 2010 Q2, being up 0.6%.

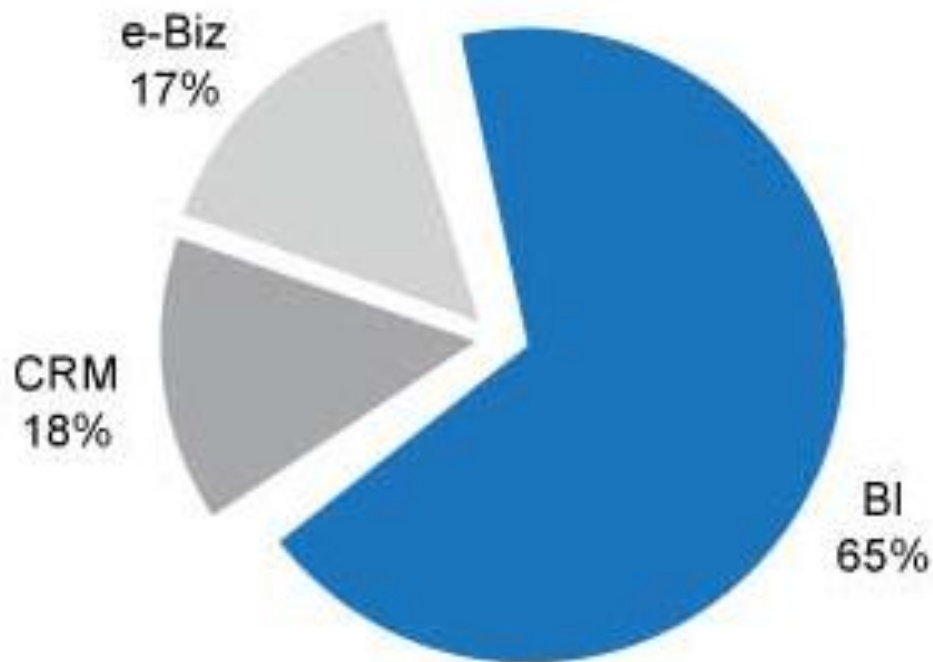
Consolidated 2011 H1 turnover (€m)



- ▶ Turnover from operations in France is €62.4m, up 1.4 % on 2010 H1.
- ▶ Turnover from international operations is €62.9m, up 8.8%.
- ▶ Strong turnover growth in countries important for the Group:
 - United Kingdom 23%
 - North America: 21 %
 - Switzerland: 19 %
 - Germany: 25 %

➔ BUSINESS ACTIVITIES

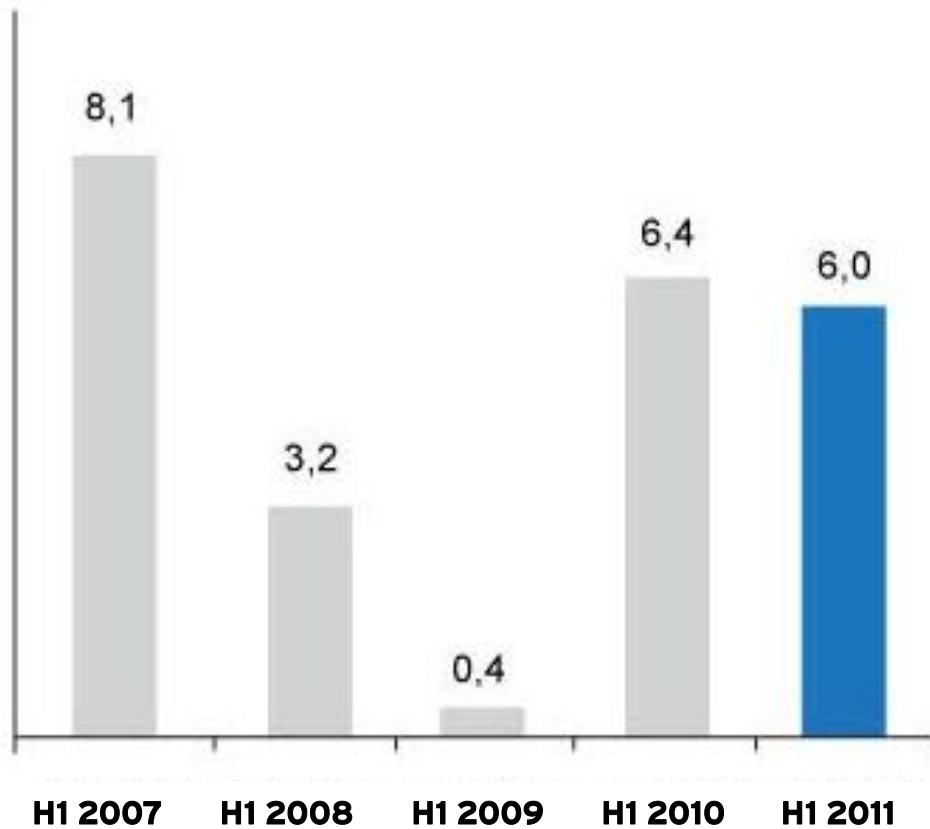
Turnover breakdown in %



- ▶ Business Intelligence accounts for 65% of total turnover, and is up 3% on 2010's H1.
- ▶ Generating 17% of global turnover, CRM turnover is up 7% on 2010.
- ▶ Accounting for 18% of total turnover, e-Business is up 10% and thus confirms its development potential.

➔ H1 PROFITABILITY

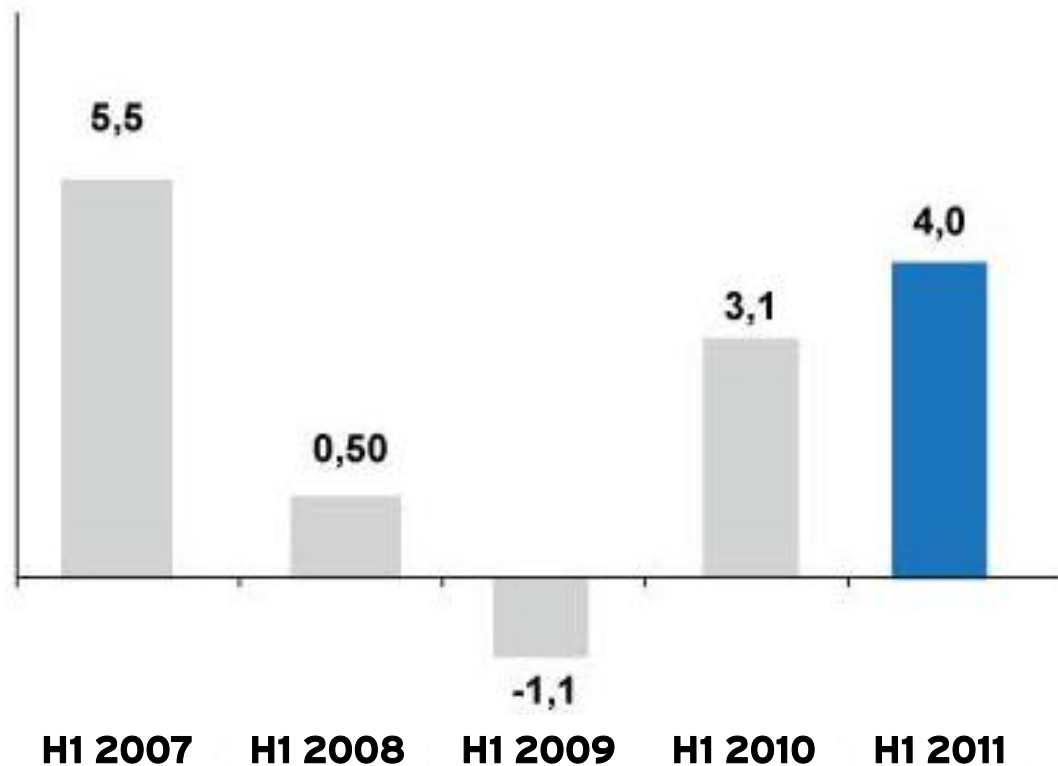
Operating income (€m)



- ▶ Operating income amounts to €6.0m.
- ▶ The operating margin is thus 4.8%.

➔ INCREASE IN NET INCOME

Net income - Group share (€m)



- ▶ Reported net income (Group share) is €4.0m, a considerable increase on 2010's H1. It includes:
 - gains on disposal amounting to €1m
 - currency exchange losses amounting to €0.4m
- ▶ This increase in net income - Group share marks the Group's return to long-term profitability.

➔ INCOME STATEMENT H1 2011 (IN € Millions)

| | Half-year 2011 | Half-year 2010 |
|--|----------------|----------------|
| Turnover | 125.3 | 119.4 |
| Other income | 0.2 | 3.1 |
| Total current operating income | 125.5 | 122.4 |
| External charges | 30.5 | 30.6 |
| Taxes other than income taxes | 1.9 | 1.4 |
| Payroll costs | 85.5 | 79.6 |
| Depreciation and amortization expense | 0.8 | 3.2 |
| Total current operating expenses | 118.6 | 114.8 |
| Current Operating income | 6.8 | 7.6 |
| <i>Percentage of turnover</i> | <i>5.4%</i> | <i>6.4%</i> |
| Other (operating) income and expenses | -0.8 | -1.2 |
| Operating income | 6.0 | 6.4 |
| <i>Percentage of turnover</i> | <i>4.8%</i> | <i>5.4%</i> |
| Financial results | -0.5 | -1.5 |
| Tax expense | -1.5 | -1.8 |
| Net Income after taxes | 4.0 | 3.1 |
| Related enterprises | 0.0 | 0.0 |
| Net income foll. associated undertaking | 4.0 | 3.1 |

➔ BALANCE SHEET H1 2011 (IN € Millions)

| Assets | 30/06/2011 | 31/12/2010 | Liabilities | 30/06/2011 | 31/12/2010 |
|-----------------------------------|--------------|--------------|--------------------------------|--------------|--------------|
| Non-current assets | 69.2 | 69.2 | Shareholders' equity | 54.1 | 50.9 |
| Goodwill | 45.8 | 46.5 | Non-current liabilities | 32.5 | 36.2 |
| Net Fixed Assets | 18.3 | 16.7 | Provisions | 4.9 | 4.8 |
| Other non-current assets | 5.1 | 6.1 | Financial liabilities | 26.5 | 27.5 |
| | | | Other liabilities | 1.1 | 3.9 |
| Current assets | 93.1 | 108.4 | Current liabilities | 75.8 | 90.5 |
| Customers and related receivables | 78.3 | 82.1 | Trade payables | 11.0 | 17.0 |
| Other current assets | 9.6 | 7.7 | Current taxes | 1.1 | 1.6 |
| Cash and cash equivalents | 5.2 | 18.5 | Financial liabilities | 5.8 | 3.3 |
| | | | Cash and cash equivalents | 11.3 | 18.4 |
| | | | Other current liabilities | 46.5 | 50.2 |
| TOTAL ASSETS | 162.4 | 177.6 | TOTAL LIABILITIES | 162.4 | 177.6 |

➔ CASH FLOW STATEMENT H1 2011 (IN € Millions)

| Cash flow | 30/06/2011 | 30/06/2010 |
|---|--------------|-------------|
| Current operating income | 6.8 | 7.6 |
| Less non-cash or non-operating items | -0.7 | 2.8 |
| Paid taxes | -2.1 | -2.2 |
| <i>Change in working capital</i> | -17.1 | -4.9 |
| Net cash flow from operating activities | -13.1 | 3.2 |
| Net cash flow from investment activities | -0.4 | -2.8 |
| Net cash flow from financing activities | -0.6 | -0.1 |
| Change in cash and cash equivalent | -14.1 | 0.4 |
| <i>Opening cash balance</i> | 18.1 | 5.0 |
| <i>Closing cash balance</i> | 3.9 | 5.3 |
| Change in cash and cash equivalent | -14.1 | 0.4 |

Ratios

| | Actual | <i>Negotiated</i> |
|-----------------------|---------------|--------------------------|
| Net gearing | 0.71 | < 0.85 |
| Leverage | 2.15 | < 3.60 |
| Interest cover | 8.55 | > 3.80 |

- ▶ At 30 June 2011, all covenants were met.
- ▶ Covenants are applied twice a year over a 12-month rolling period.

- Group



- Financial performance



- Outlook

- ▶ Sustained business activity, with new contracts and customers ensuring a positive outlook for the end of the year.
- ▶ Return to long-term profitability thanks to adjustments and continuous actions.
- ▶ Targeted investments to pursue innovation in expertise areas that are still very promising.
- ▶ Recruitment plan in France and at the international level to strengthen teams.