

PRESS RELEASE

Third-quarter revenues

FY 2016-17

Paris, February 23, 2017 – 7:00 pm



€18 million in revenues over nine months

Change in revenues for each quarter

For the first nine months of FY 2016-17 (April 2016 to December 2016), the GECI International Group (“the Group”) is reporting year-on-year revenue growth of 83%, up to €17.98 million. This growth is linked primarily to the consolidation (i) of the EOLEN group over nine months - compared with five months last year - and (ii) ETUD Integral, the company acquired in June 2016, which contributed €1.8 million over six months.

The third quarter of 2016-17 primarily reflects the implementation of the company’s new strategy to develop strong value-added activities in growing markets and withdraw from low-margin activities. Revenues for the period came to €6.49 million, compared with €5.88 million for the third quarter of the previous year. This change factors in a scope effect linked to the consolidation of ETUD Integral for €0.8 million for the quarter.

The year-on-year change in revenues reflects a positive exchange effect for €0.1 million over nine months and €0.03 million for the third quarter.

€M (unaudited consolidated data)	FY 2016-17	FY 2015-16	Change
1st quarter (April-June)	5.50	0.40 (*)	X13
2nd quarter (July-September)	6.0	3.56	+68%
3rd quarter (October-December)	6.49	5.88	+10%
Nine-month revenues	17.98	9.84	+83%

(*) Before acquisition of Eolen companies

Third-quarter highlights

In France, the Group has finalized its strategic reorganization, notably setting up four business units, with three for the EOLEN group and one for ETUD Integral. The business units are all rolling out new offers aimed at developing the business and ensuring its sustainability: Big Data and cybersecurity for all the business units, and self-driving vehicle concepts and design for ETUD Integral.

Internationally, the operational scope remained unchanged in the third quarter and the Group has maintained its focus on strong growth, particularly in Brazil and South Africa, where the subsidiaries have ramped up various projects underway and have continued to extend their range of solutions in new business areas such as Big Data, cybersecurity or e-learning.

At December 31, 2016, the Group had a total of 452 staff, compared with 375 at end-March 2016.

Change in nine-month revenues for each business

Business line	(April-December 2016)		(April-December 2015)		Change (%)
	€M	% of rev	€M	% of rev	
Engineering	4.26	23.7%	1.94	19.8%	+ 119%
Finance	4.31	24.0%	2.64	26.8%	+ 63%
IT & Telecoms	9.35	52.0%	5.25	53.3%	+ 78%
Holding	0.06	0.3%	0.01	0.1%	n/s
Combined revenues	17.98	100.0%	9.84	100.0%	+ 83%

- **Engineering**

The “Engineering” division’s revenues at December 31, 2016 came to €4.26 million, representing 23.7% of consolidated revenues.

In France, the Group has been rolling out a strategy to diversify its offering since the start of the year, while withdrawing from the Oil & Gas sector, which is very exposed to oil price fluctuations. This strategy is reflected in the development of offers in high-growth sectors, such as renewable energies, electric vehicles and urban transport. Since the end of June, the division’s expert capabilities have been further strengthened with the activities of ETUD Integral, which is building its development around strong value-added differentiating services.

In South Africa, the Group has significantly strengthened its positions covering specialist training programs for highly regulated industries. A recent multiyear contract has been ramped up, contributing to strong growth in sales since the start of the year.

- **Finance**

The “Finance” division generated €4.31 million of revenues over the first nine months of the year, representing 24.0% of consolidated revenues at December 31, 2016.

The Group has repositioned itself around stronger value-added offers, particularly engineering and operational consulting for business leaders from the world of banking and finance.

- **IT & Telecoms**

Revenues for the “IT & Telecoms” division for the first nine months of FY 2016-17 came to €9.35 million, representing 52.0% of consolidated revenues at December 31, 2016.

In France, to further strengthen its listings, the Group has repositioned the division around four areas of expertise: network engineering, embedded IT, web and business application development, and Big Data.

This repositioning is making it possible to support the development of new contracts with leading telecoms equipment manufacturers and operators. It has also been accompanied by a good performance by the IT outsourcing business. Lastly, it is helping further strengthen the development of innovative offers, with the last quarter including a significant acceleration in High Performance Computing (HPC) sales, buoyed by the acquisition and renewal of several multi-year contracts.

The Brazilian subsidiary is recording growth in its volume of business, driven primarily by sustained demand in the finance sector and a gradual diversification of offers in the multimedia sector.

Geographic mix

At December 31, 2016, the breakdown of the Group's consolidated revenues was as follows: 82% in France, 15% in Brazil and 3% in South Africa.

Outlook

The Group is forecasting over 50% growth in full-year revenues for FY 2016-17 compared with the previous financial year.

The Group's actions are targeting strong progress with like-for-like growth and profitability, focused on expanding its client base, further strengthening the quality of its offers and optimizing costs across its subsidiaries.

The Group is also looking to capitalize on the opportunities for development opening up with the digital revolution in terms of engineering, telecoms and IT. By capitalizing on its expert capabilities and knowledge of international markets, while developing industrial partnerships, the Group is diversifying its business in high-potential niches, such as new mobility solutions or cybersecurity.

With its highly complementary and innovative expert capabilities, the Group aims to support major industrial firms, SMEs and startups, ensuring the success of their digital transition and designing smart services and solutions.

Next dates:

- Combined general meeting to be convened soon
- 2016-17 full-year revenues on May 22, 2017 (after close of trading)

About 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 €720,419.36
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