



Le succès de nos clients est le moteur de notre avenir

GFI Informatique First half 2008 Results



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- Activity in the first half of 2008
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Activity in the first half of 2008



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Consolidated income statement for the first half of 2008

en M€	H1 2008	H1 2007	Variation
Revenue	377,9	331,9	+13,9%
Ordinary Operating Profit	22,5	20,9	+7,9%
Operating Margin	5,95%	6,29%	
Other Operating Expenses	(2,6)	(4,1)	
Operating Profit	19,9	16,8	+18,7%
Net finance costs	(2,8)	(2,6)	
Income Tax	(6,4)	(4,7)	
	0,0	0,3	
Profit for the year (Group share)	10,5	9,7	+7,9%
Diluted earnings per share (in euro)	0,19	0,18	+5,6%



First half of 2008 – Highlights

- Satisfactory organic growth of 3.2% recorded by the Group :
 - sharp acceleration in Q2 to 5.2%
 - in line with 2010 plan
- Very satisfactory organic growth of 7.1% in France
- Increases in both operating profit, net profit and EPS
- Seasonal increase in WCR tightly controlled
- Significant investments in H1:
 - Acquisitions : Accovia, Viveo
 - R&D spending at the Software Solution business



- Very satisfactory organic growth of 7.1%
- Quality contracts signed, underscoring the relevance and effectiveness of the Group's transformation
- A satisfactory, tightly controlled operating margin, reflecting:
 - Impact of giving staff an extra day off on Whit Monday
 - Impact of investments at the Software Solutions business
 - Increased use of subcontractors
- Focus on high value added offers :
 - SAP Integration : La Poste, Service Center for Boulanger,..
 - Banking sector offers: Viveo, SAB,..
- Ramp-up of the near-shore service centre in Morocco :
 - External projects: FT, BNP, BNP Insurance,.. (backlog of 120 staff)
 - Internal R&D projects: IODAS, Gestor, Astre, Infogen (40 staff)












First half of 2008 – France Investment in the Software Solutions



- **Software IODAS Web:**
 - Software for management of social benefits by Local Authorities
 - Investment plan for 2008 and 2009
 - Migration on 3 tier J2EE architecture
- **Gestor.net:**
 - Advances solution for time keeping
 - More than 800 customers for the previous technology






Commercial successes in first half of 2008

Strategic offerings

Client	Project
	Implementation of SAP solution
	40-strong J2EE team worked on A380 programme
	TPAM for call centres and CTI offering
	Reporting and restitution for Infocentre projects
	Implementation of X3 ERP solution for CCE
	Implementation of EAI WebMethods solutions
	Knowledge Access search engine
	Time management solution
	Web services solution








Commercial successes in first half of 2008 Industrialisation

Client	Project
	Data migration
	Industrialisation and methodology for proprietary IS
	Outsourcing of IT system for spa operations
	IT surveillance in train station and maintenance
	Outsourcing of TPAM in Morocco



Commercial successes in first half of 2008 Business Expertise

Client	Project
	Customer loyalty for mass-market CRM project
 	Project management assistance at Refining & Marketing division
	Business expertise in an accounting and finance solution
	Data quality, segmentation
	HRIS consulting and coordination for CCE





- Portugal

- Strong organic growth of 14.9%
- Critical mass achieved thanks to the 2007 acquisition of Bull (headcount in excess of 630)
- Ramping up of new offerings: electronic transactions and payment systems, CRM, AOA, etc.
- Satisfactory margin of 6.1%

- Spain

- Revenue looks set to stabilise: decreases of 9.0% in Q1 and 6.3% in Q2
- First successes from decision to diversify, with contracts won in the public sector and for the ERP offering
- Satisfactory margin considering investment to diversify activities: 5.1% in H1 with an improvement to 7.9% in Q2



- Subsidiary's activity in line with objectives set for H1
- Continuing efforts to restructure operations and achieve additional savings
- Tighter control over this subsidiary:
 - Reduction in subcontracting costs
 - Reduction in WCR
- Operating losses kept in check:
 - €0.7 million loss in H1
 - Breakeven achieved in Q2
- Significant contracts signed in the energy sector set to come into effect in H2

- Canada

- Very good results recorded by Accovia
 - Another major contract signed in H1
 - Significant €1.1 million contribution to consolidated operating profit on ordinary activities
- Good performances from the Group's other activities – electronic transactions and payment systems, consulting and systems integration – as a result of which organic growth reached 18.1%

- Northern Europe

- Activity in line with objectives set by the Group
- Satisfactory synergies developed with Software Solutions in France







- Morocco

- Strong 9.4% growth for local activities
- Growth fuelled by Group's offerings: Time Management, ERP
- Ramping up of near-shore platform (nearly 100 employees)



Commercial successes in first half of 2008



Pays	Client	Projet
Belgique		Nouveau site internet avec gestion avancée du contenu
Italie		Important projet de sécurité informatique du réseau
Italie		Centre de service
Canada		Contrat d'outsourcing
Canada		Intégration de systèmes dans le cadre de la mise en place de la carte à puce
Allemagne	DAIMLER	Intégration de systèmes
Espagne		Système de e-learning
Espagne	BBVA	Conseil
Portugal	Matosinhos	Datacenter



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Acquisition of Bell Business Solutions



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Acquisition of Bell Business Solutions

- Bell Business Solutions
 - One of Canada's leading providers of integrated solutions meeting sector-specific needs:
 - Local authorities (22% of revenue)
 - Healthcare (20% of revenue)
 - Retailing (34% of revenue)
 - Industry (18% of revenue)
 - Other sectors (7% of revenue)
 - Present in Quebec (70% of the activity) and the rest of Canada
 - 372 employees
- A strategic acquisition that will:
 - Strengthen our already particularly dynamic activity in Canada
 - Strengthen our Global Software Solutions division



Acquisition of Bell Business Solutions

- Financing the deal:
 - FSTQ investment fund acquired a 27% stake in our Canadian holding company for CAD20 million
 - This holding company took on debt financing of CAD14 million

- Key financial data and synergies
 - Revenue: CAD40 million
 - Operating margin: 11%
 - Synergies: CAD3 million:
 - Logistics: CAD0.4 million
 - Payroll: CAD2.6 million





GFI Activities in Canada since the acquisition

- 700 employees
- 5 business lines
 - Consulting and systems integration (188 persons)
 - Electronic transactions and payment systems (102 persons)
 - Solutions for tourism sector (106 persons)
 - Solutions for public sector (153 persons)
 - Solutions for private sector (117 persons)
- Very dynamic activity
 - Strong organic growth
 - High operating margin
 - A dynamic market
- Synergies with the group
 - Software Solutions division: subsidiary of Accovia in France
 - System integration
 - Answering calls for tenders together with GFI France for certain projects
 - Potential for near-shore development





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Results for the first half of 2008



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Consolidated balance sheet at 30 June 2008



in €M	30/06/2008	31/12/2007
Goodwill	239,0	221,2
Fixed Assets	34,8	28,8
Other non current assets	6,0	10,9
Current Assets	348,9	345,5
Cash	21,3	29,4
Total assets	650,0	635,8
Total Equity	229,5	237,1
Borrowings (current and non current part)	131,0	94,8
Non current liabilities	17,7	20,6
Current Liabilities	272,0	283,3
Total liabilities	650,0	635,8

Gearing: 48%

Target for 31/12/08 : 40%

Consolidated cash flow statement for the first half of 2008

en M€	H1 2008	H1 2007
Cash flow from operations	22,1	20,6
Taxes	-4,0	-4,4
Working capital changes	-15,4	-21,9
Net cash flow from operating activities	2,6	-5,6
Net cash flow used in investing activities	-29,0	-10,9
<i>incl. operating investment</i>	-7,3	-4,1
<i>incl. acquisitions</i>	-21,7	-6,8
Net cash flow from financing activities	8,9	21,7
Effect of changes in foreign exchange rates	-0,3	0,2
Change in Cash	-17,8	5,4

Note: dividends paid in June this year compared with July in 2007



First-half of 2008

Organic growth by geographical area



Revenue H1 2008/2007	in €M	Total Growth	Organic Growth	H2 Trend
France	256,9	20,6%	7,1%	→
Spain / Portugal	53,4	1,7%	-2,8%	↗
Italy	28,9	-13,2%	-13,2%	→
Northern Europe	22,6	-0,3%	-0,4%	↗
Canada	14,2	61,6%	18,1%	→
Morocco	1,7	6,8%	9,4%	→
Group Total	377,7	13,8%	3,2%	↗

First-half of 2008

Operating margin by geographical area

Ordinary Operating Profit	H1 2008 in €M	H1 2008 % of sales	H1 2007 in % of sales
France	17,0	6,6%	7,1%
Spain / Portugal	2,9	5,4%	8,8%
Italy	-0,7	-2,3%	-2,6%
Northern Europe	0,8	3,7%	3,5%
Canada	2,3	16,2%	12,9%
Morocco	0,2	8,2%	5,0%
Group Total	22,5	6,0%	6,3%



First-half of 2008 Headcount



	30/06/2008	31/12/2007
France	6 030	5 892
Northern Europe	373	399
Spain-Portugal	2 074	2 052
Italy	774	800
Canada	316	238
Morocco	125	103
Total	9 692	9 484

Over 10,000 persons taking subcontractors into account



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Objectives and prospects for 2008



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- Changes in the economic environment :
 - 1st Half un-affected by economic changes
 - Deterioration of the economic environment over the summer

- IT sector trends :
 - No changes in the market over the summer
 - Reduction of the number of suppliers by our major customers
 - Near-shore/off-shore market share increasing
 - Low increase of sales price
 - Increase in staff attrition
 - Risk on banking and transportation sector



- GFI strategy :
 - Sustainable and Profitable Growth

- Action Plans implemented since April 2008:
 - Defensive:
 - Speeding up of the transformation of the production model
 - Overheads costs reduction
 - Better controls on risks
 - Investments focused on growth
 - Offensive:
 - Better management of sub-contractors
 - More ambitious recruitment
 - Account Management strengthened
 - Investment on marketing and sales tools



- Financial objectives:
 - Increase in Ordinary Operating Profit in % of Sales:
 - H2 2008 vs. H1 2008
 - FY 2008 vs. FY 2007
 - Increase in Net Profit and in EPS
 - Gearing brought back to 40% as at 31/12/08





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Appendix - Top 10 clients



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Top 10 clients

Customer	Revenues H1 2008 in €M	in % of group sales
France Telecom	23,2	6%
Bnpparibas	15,2	4%
IBM	9,8	3%
EDF	8,0	2%
SNCF	7,6	2%
Société Générale	6,8	2%
Caisse d'Epargne	6,1	2%
Vodafone	5,7	2%
Telefonica	5,4	1%
Ministero della Giustizia	5,2	1%
Total Top 10	93,0	25%





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