




**prodware** 

**FIRST HALF 2016 RESULTS**

**SFAF MEETING**

**27 OCTOBER 2016**

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**PHILIPPE BOUAZIZ**, Chairman  
**STEPHANE CONRARD**, Deputy Managing Director  
and CFO

# PUBLISHER/INTEGRATOR OF MANAGEMENT SOFTWARE



Publication of 23 sector software packages and 12 professional & innovative solutions in 3 key areas: Manufacturing, Professional services, Distribution & Retail  
Innovative solutions: CRM, digital transformation, Cloud, Big Data



Premier partner of  Microsoft in the EMEA region and  sage and  AUTODESK in France



**2015 REVENUE: €181.8M**  
**OF WHICH EDITION : 34.7% (€63M)**



**1,240 EMPLOYEES**  
**WITH 10% ASSIGNED TO NEAR SHORE**



**19,000 CUSTOMERS (SME, MID-MARKET COMPANIES AND SUBSIDIARIES OF INTERNATIONAL GROUPS)**



**23 SITES IN 14 COUNTRIES**  
**53% OF REVENUE FROM OUTSIDE FRANCE**



**FIRST HALF 2016 RESULTS  
HIGHLIGHTS  
1<sup>ST</sup> HALF 2016**

# **CHANGE IN SALES MODEL**

**Acceleration of the shift  
of sales  
to SaaS mode  
+31% to €9.9m  
Or 11.7% of revenue (+3.4 points)**

**Smaller revenues in the period but recurring sales  
over 3-5 years**

**Increasing integration of  
SaaS infrastructure sales**

**12,7 % INCREASE IN THE RECURRING SHARE OF REVENUE**

# CONTRASTING ENVIRONMENTS BETWEEN COUNTRIES

## **France:** **Postponed signing of significant projects and disrupted organization of teams**

- Repeated strikes
- Floods

## **Spain and Israel: Continuation of the momentum**

**Great Britain : base effect following the sale of  
“Waste Management”, a non-strategic business, in  
early 2016**

**Germany and Benelux :  
Decrease in sales related especially to the rise  
in SaaS sales and the termination of significant  
yet unprofitable infrastructure sales contracts**

- Use of experts in these two countries for sales  
in other geographical areas

**FINALIZED EUROPEAN ORGANIZATION**



# OUR CUSTOMER REFERENCES



פקר פלדה | תעשיות  
PACKER STEEL | INDUSTRIES



# FIRST HALF 2016 RESULTS



# KEY INDICATORS

In €m  
Or %

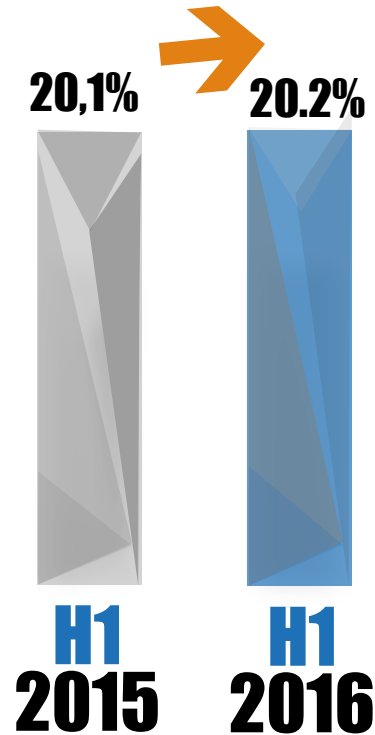
**-7.2%\***

REVENUE



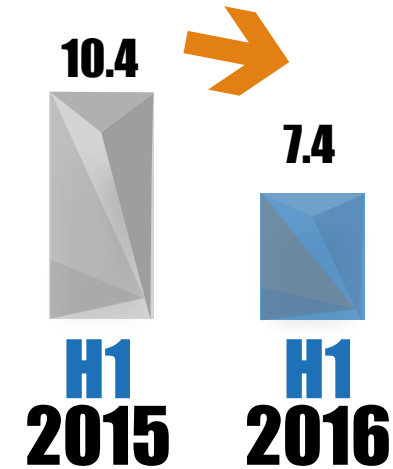
**+ 0.1 points**

EBITDA MARGIN



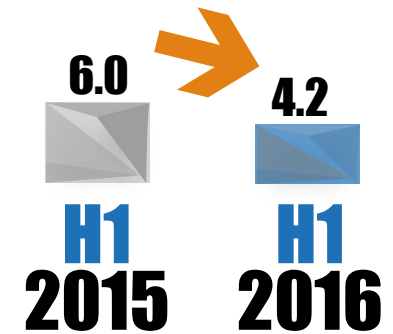
**-29.2%**

CURRENT  
OPERATING INCOME



**-30.8%**

NET INCOME,  
GROUP SHARE

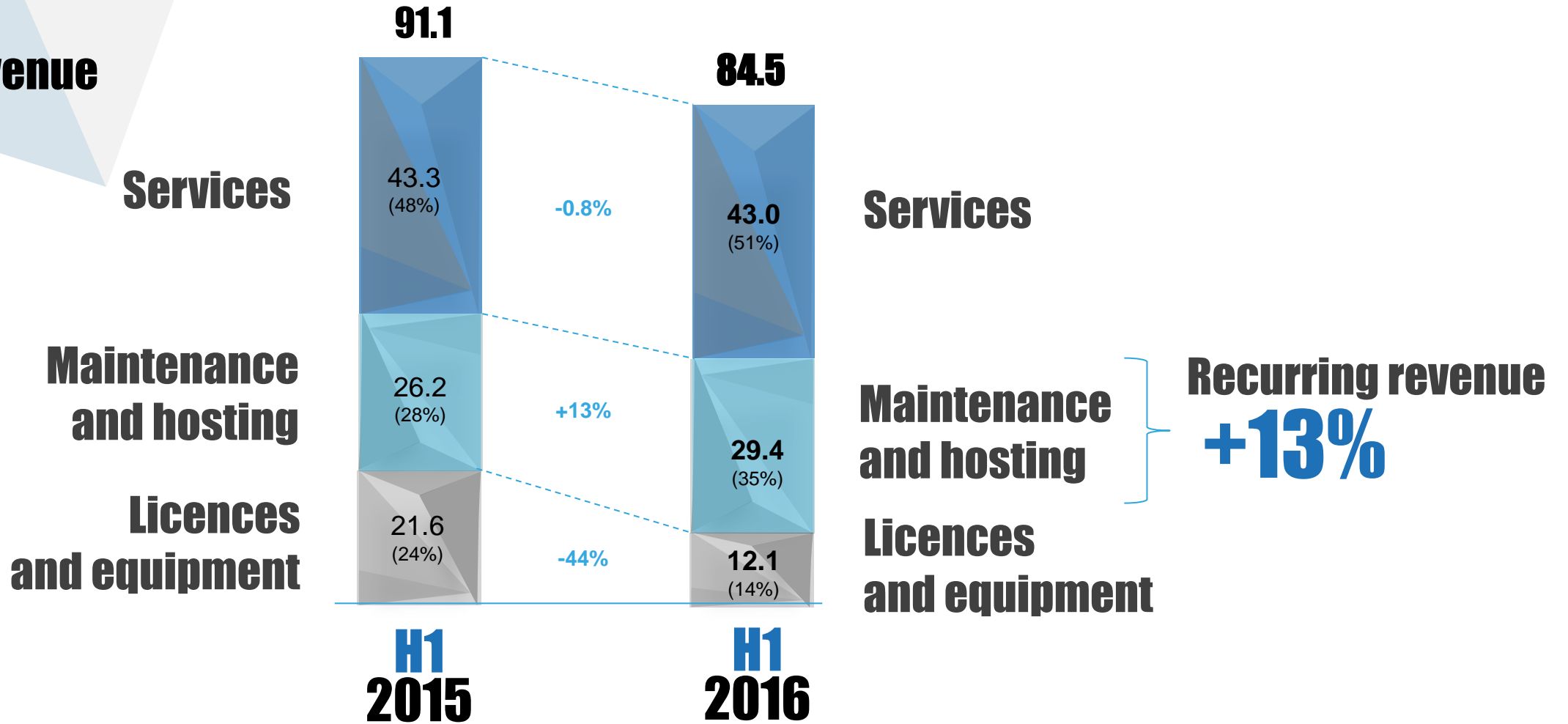


*\*on a comparable basis, the change is -5.3%*



# DISTRIBUTION BY PRODUCT FAMILY

In €m  
As % of revenue

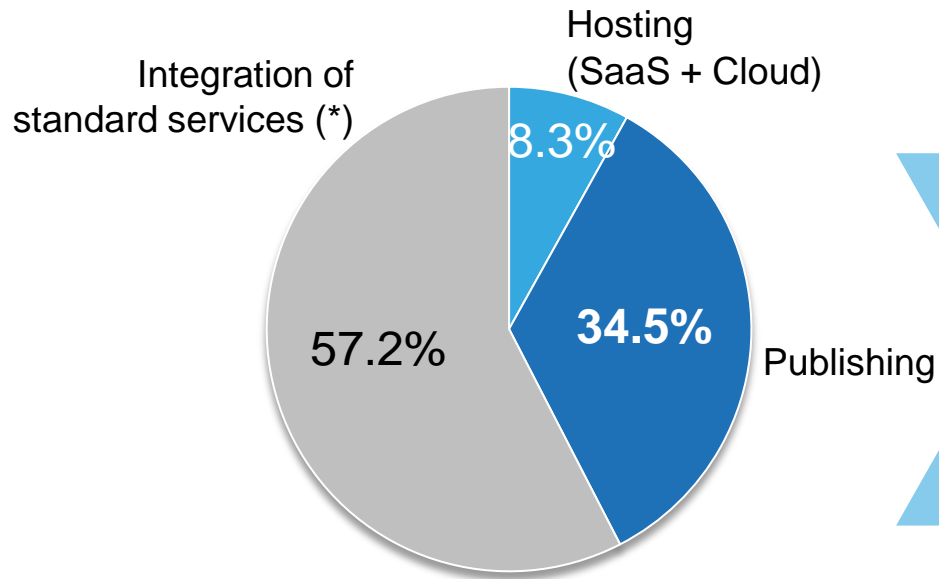


# PRODUCT MIX

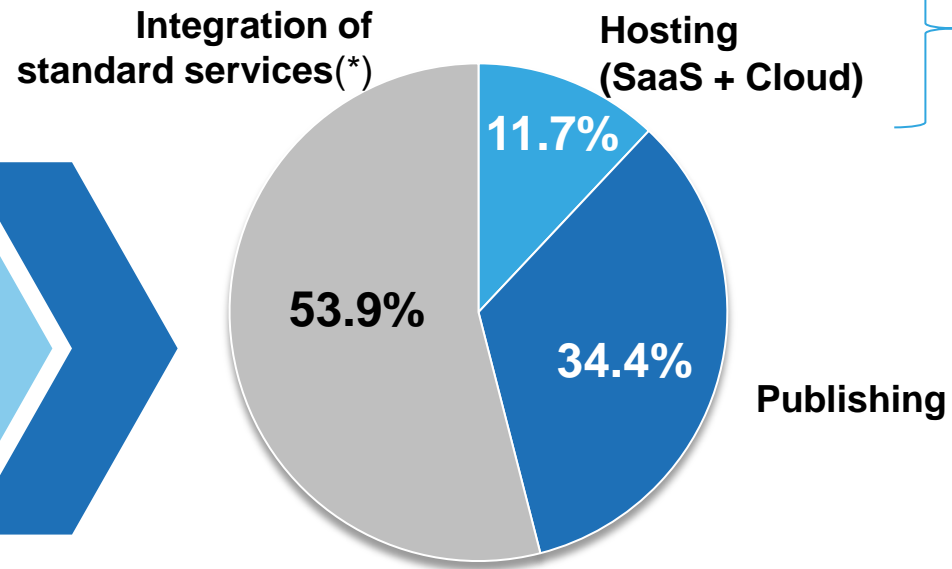
As % of revenue

# DISTRIBUTION OF GLOBAL SALES

**H1  
2015**



**H1  
2016**

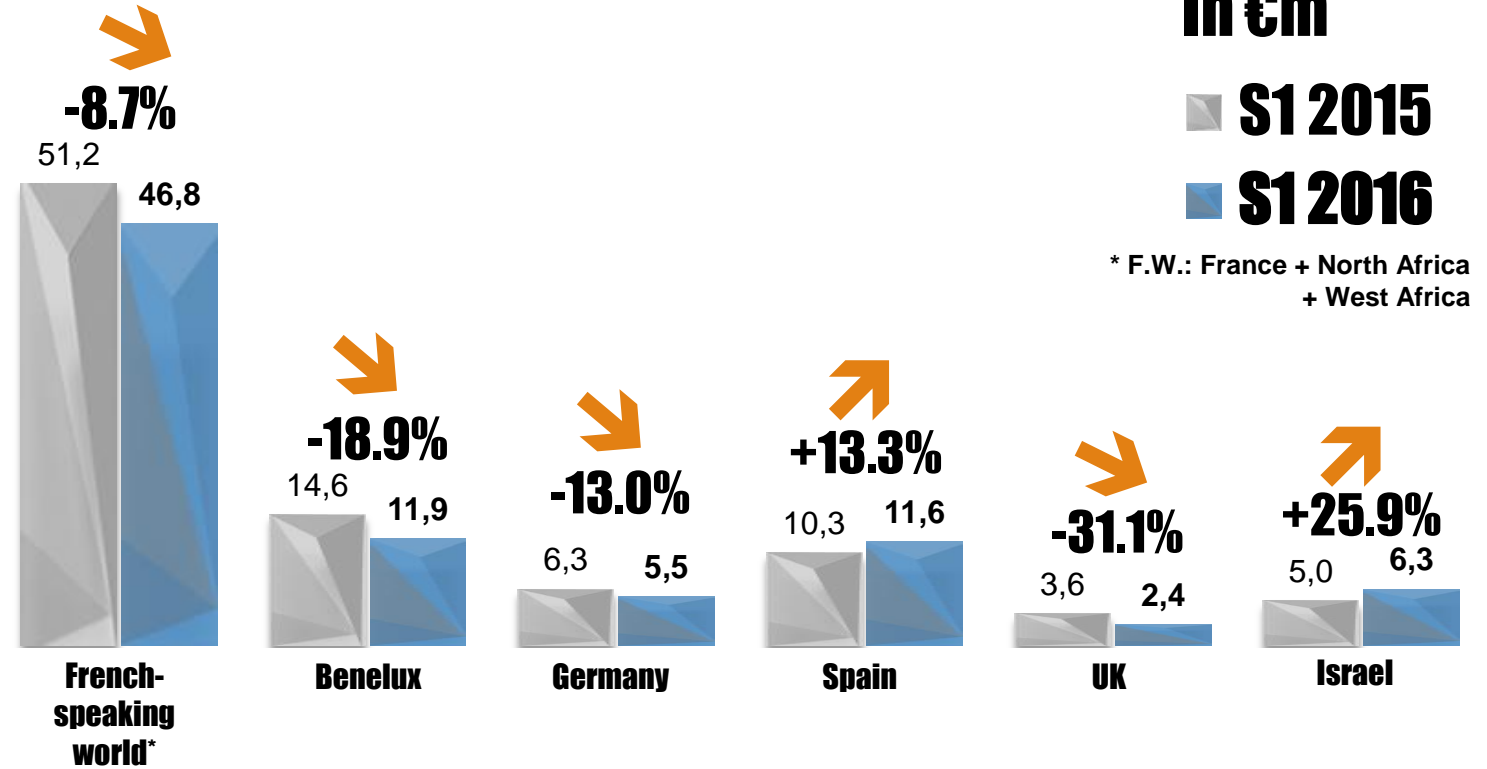


**+31%**

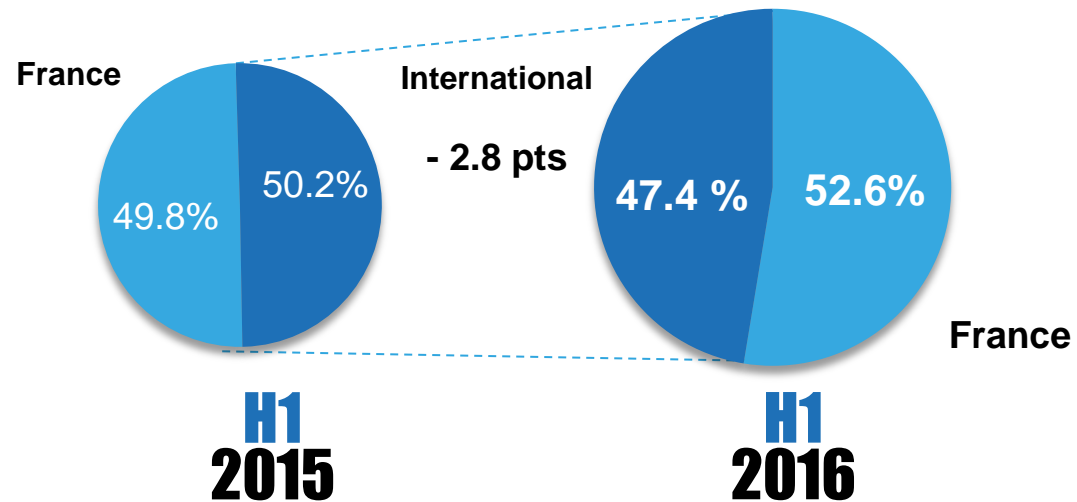
(\*) Microsoft, Sage, Autodesk products

# CHANGE IN REVENUE BY GEOGRAPHICAL AREA

REPOSITIONING ON THE STRATEGIC SOLUTIONS AND MARKETS OF THE GROUP  
 USE OF HIGH VALUE AND PERFECTLY FLUENT STAFF RESSOURCES FOR INTERNATIONAL PROJECTS



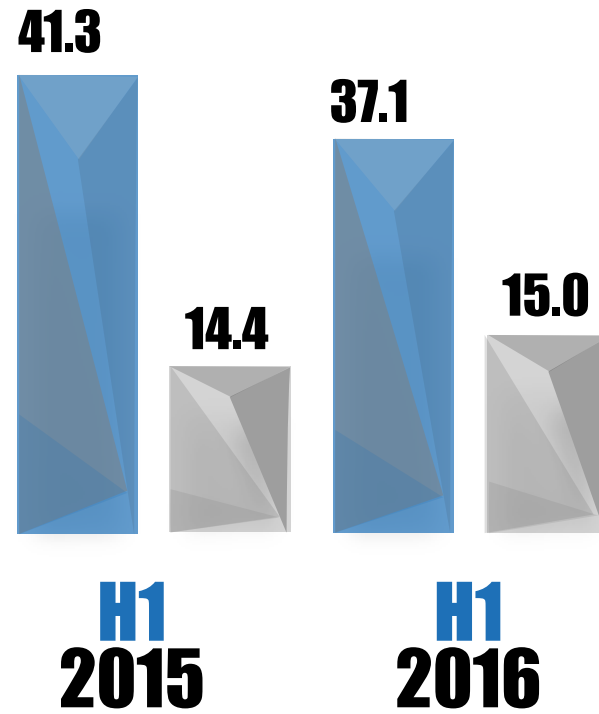
# SHARE OF INTERNATIONAL ACTIVITY



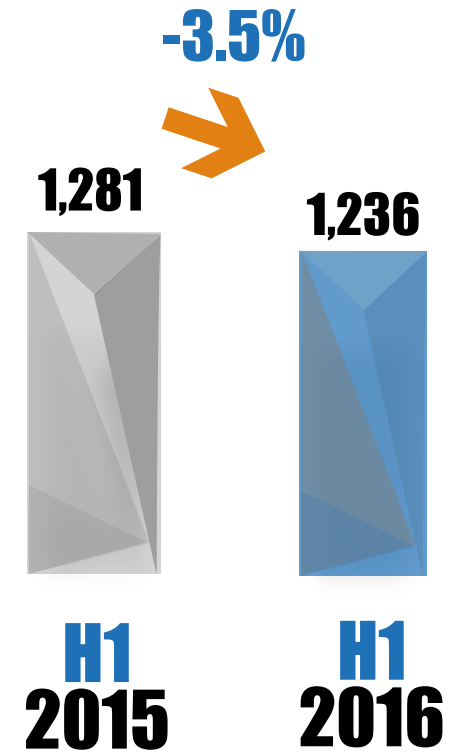
# STAFF

In €m

**SHARP  
REDUCTION IN  
PERSONNEL  
EXPENSES  
-10.1%**



Number of people



Personnel expenses ■

External expenses ■

# INCOME STATEMENT (1/2)

**IMPACT  
OF THE DECLINE  
IN BUSINESS  
IN FRANCE**

**AND INVESTMENTS  
TO CHANGE  
THE OFFERING**

**INCREASE IN THE EBITDA  
MARGIN WITH THE  
SHARP REDUCTION IN  
PERSONNEL EXPENSES**

<b>IFRS Audited data in €M</b>	<b>H1 2016</b>	<b>H1 2015</b>	<b>Change</b>
<b>Revenue</b>	<b>84.5</b>	91.1	-7.2%
Consumed purchases	(28.2)	(27.9)	
External expenses	(15.0)	(14.4)	
Personnel expenses	(37.1)	(41.3)	
Taxes and duties	(0.9)	(1.0)	
Net charges for amort., depr. & prov.	(8.8)	(6.9)	
Other current operating income & expenses	12.8	10.8	
<b>EBITDA</b>	<b>17.1</b>	18,3	-6.8%
<i>As % of revenue</i>	<b>20.2%</b>	20.1%	
<b>Current operating income</b>	<b>7.4</b>	10,4	-29.2%
<i>As % of revenue</i>	<b>8.7%</b>	11.4%	
Other operating income & expenses	(0.1)	(2.7)	
<b>Operating income</b>	<b>7.3</b>	7.7	-5.8%
<i>As % of revenue</i>	<b>8.6%</b>	8.5%	



# INCOME STATEMENT (2/2)

IFRS Audited data in €M	H1 2016	H1 2015	Change
Operating income <i>As % of revenue</i>	7.3 8.6%	7.7 8.5%	- 5.8%
Financial result	(2.5)	(1.6)	
Taxes on profits	(0.3)	0.1	
Share in associates	0.0	0.1	
Net income from continuing operations	4.4	6.4	
Consolidated net income <i>As % of revenue</i>	4.3 5.1%	6.1 6.7%	- 29.1%
Net income, Group share <i>As % of revenue</i>	4.2 4.9%	6.0 6.6%	- 30.8%

**€0.7 M INCREASE  
IN FINANCIAL EXPENSES  
RELATED  
TO THE INCREASE  
IN DEBT  
TO FINANCE  
THE 2016-21 STRATEGY**

# BALANCE SHEET

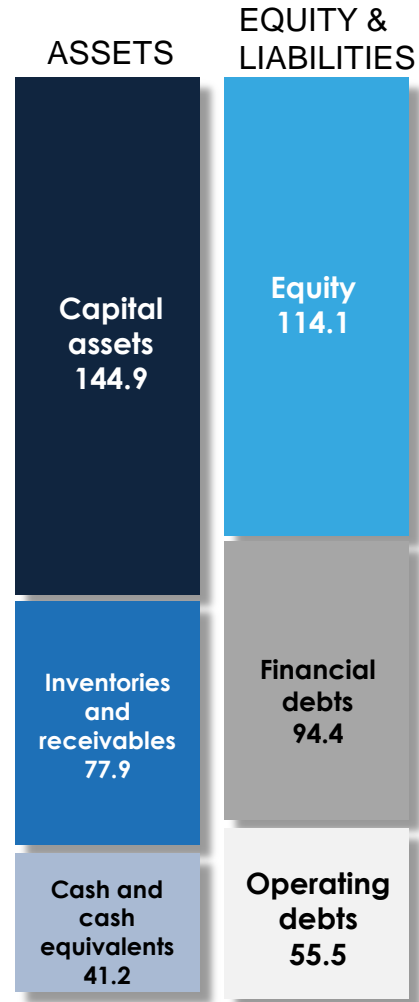
In €m

**3.0% INCREASE  
IN EQUITY**

**INCREASE IN DEBT RATIO  
TO 46.6% VS 42.2%**

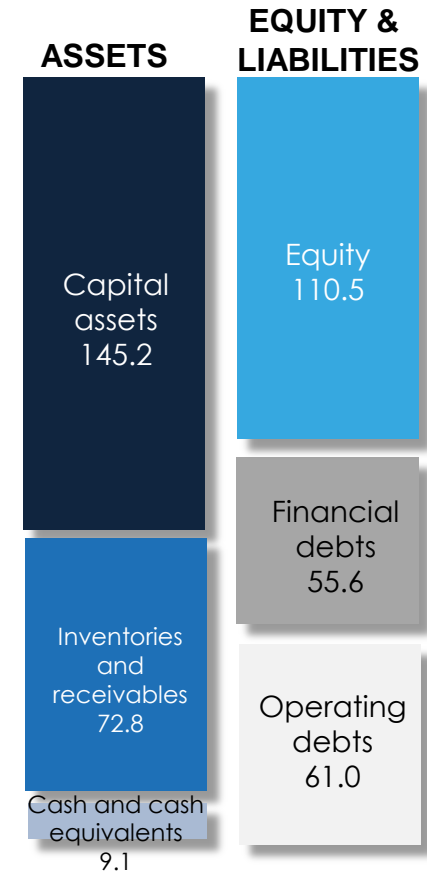
**€264.0 M**

**At 30 June 2016**



**€227.1m**

**At 31 December 2015**



# CASH FLOW STATEMENT

In €m	30 June 2016	31 December 2015
Cash flow before cost of debt and taxes	17.2	27.4
Change in WCR	- 10.8	7.5
Net cash flow from operations	6.4	34.9
Acquisition of fixed assets	- 9.9	- 37.6
Sales of fixed assets & reduction of long-term investments	-	-
Impact of changes in scope	-	- 0.1
Net cash flows from investing	- 9.9	- 37.4
Net change in borrowed funds	31.7	4.4
Parent company dividends received/paid	-0.2	- 0.2
Capital increases/reductions	-0.5	0.2
Net cash flows from financing	31.0	4.4
Change in cash	27.5	1.8



# FIRST HALF 2016 RESULTS GUIDELINES

# SHORT TERM DEVELOPMENT STRATEGY

## 1 GOAL

**To have a leadership position  
with medium and large companies**

## 2 METHOD

**and providing us an high added value  
system, for supporting their growth**

## 3 LEVERS

**The very high technological mutations  
involve development of solutions  
in digital change...**

**... supported by a Business Consulting solution  
to guide and assist the business departments  
of our clients**



# 2016 ANNUAL OUTLOOK

**Order book  
well positioned  
in the 2<sup>nd</sup> half  
despite a fragile  
environment**

**Acceleration  
of recurring SaaS sales  
on the most  
profitable solutions**

**OBJECTIVE OF IMPROVING LONG-TERM PROFITABILITY**

# FIRST HALF 2016 RESULTS APPENDICES



# EQUITY



Source : Euronext



COTÉ EN BOURSE  
SUR NYSE/EURONEXT  
(ALTERNEXT PARIS)

**Mnemo ALPRO**

**Numbers of shares:**

8 200 560

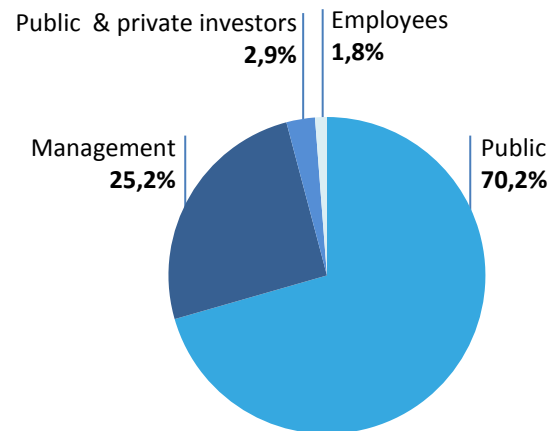
**Market cap. at 26/10/2016 :**

€57m

**Trading average per year :**

15 000 shares/day

## Shareholders at 26 october 2016



*In % of shares*

**3rd quarter 2016 revenue**

**Thursday 15 november 2016**  
After trading

## CONTACTS

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