



## 2018 First Half-Year Results

**EBITDA: €19.0M (+0.7%) - Net profit: €8.1M (+61.3%)**

	First half 2017	First half 2018	Change
<b>REVENUE</b>	90.6	<b>83.8</b>	-7.5%
<b>EBITDA</b> <i>% of revenue</i>	18.9 20.8%	<b>19.0</b> <b>22.7%</b>	+0.7%
<b>OPERATING INCOME</b> <i>% of revenue</i>	11.8 13.0%	<b>11.8</b> <b>14.1%</b>	+0.4%
<b>NET RESULT</b> <i>% of revenue</i>	5.1 5.6%	<b>8.1</b> <b>9.7%</b>	+61.3%

Rounded, audited figures

**Neuilly-sur-Seine, 10 September 2018** – Linedata (LIN:FP), global solutions and outsourcing services provider for the asset management, insurance and credit industries, delivered strong results in the first half of 2018 with operating margin growth and a significant increase in net income.

The Group recorded half-year revenues of €83.8 million, a drop of 7.5% compared to the first half of 2017, mainly due to the unfavourable exchange rate effect on the dollar and the pound sterling and the reduction in size of a major customer for Gravitas. At constant exchange rates and scope, revenues dropped slightly by 3.5%.

Sales did, however, benefit from strong order intake totalling €31.3 million, up 25.1% compared to the first half of 2017.

The EBITDA stood at €19.0 million, up 0.7% from the first half of 2017 thanks to a reduction in external costs. The 2018 EBITDA also benefited from a favourable basis of comparison, as 2017 costs included an exceptional item in the amount of €0.5 million, primarily relating to acquisition costs; also, 2018 included an exceptional compensation amount of €1.5 million net, which followed the acquisition of Gravitas and which was recorded in the profit and loss account.

### EBITDA margin analysis

EBITDA margin	First half 2017	First half 2018
<b>Asset Management</b>	<b>21.9%</b>	<b>21.1%</b>
<b>Lending &amp; Leasing</b>	<b>16.0%</b>	<b>23.8%</b>
<b>Other activities</b>	<b>43.2%</b>	<b>45.3%</b>
<b>Total</b>	<b>20.8%</b>	<b>22.7%</b>

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Asset Management recorded revenue of €54.2 million, down 11.7%. At constant exchange rates and scope, revenue showed a decline of 7.1%. Despite this reduction in revenue, the EBITDA margin was stable compared to the first half of 2017, notably due to savings resulting from the expansion of offshore sites.

Drawing upon the successful launches of new versions of Linedata Ekip<sup>360</sup> and Linedata Capitalstream's 11.0, Lending & Leasing revenue rose 2.0% to reach €27.0 million. At constant exchange rates, revenue was up 5.2%. The EBITDA margin benefited from the positive impact of organic growth and the return to profitability of the Capitalstream business. It increased 23.8%, up 7.8 points from the first half of the previous financial year.

### **Analysis of results**

Financial results stood at - €1.3 million compared to - €4.7 million in the previous year. The cost of debt remained stable at - €1.2 million. However, as of 2018, the company had offset certain historical negative foreign exchange impacts by converting intercompany loans and advances in USD granted by the parent company to its US subsidiaries into share capital at end 2017.

After taking into account a tax amount of €2.4 million, relatively lower due to the significant corporate income tax cut in the United States, net income stood at €8.1 million compared to €5.1 million in the first half of 2017, reflecting an increase of 61.3%.

### **Balance sheet analysis**

At 30 June 2018, the financial situation had improved as a result of the reduction in net debt, which fell from €77.7 million at 31 December 2017 to €64.7 million at end-June 2018, which is less than 1.5x the EBITDA for 2017.

### **Outlook**

Based on high order intake since the start of the financial year and the strength of its economic model, Linedata reaffirmed its confidence with regard to continuing business growth and persistently high margins.

### **Appointment**

Linedata announces the appointment of Arnaud Allmang to the role of Group Chief Financial Officer. Arnaud has worked alongside Anvaraly Jiva since the Group's creation. He initially served as Finance Officer both in France and abroad. Since 2013, he has focused his career on business line management in France, the United Kingdom and the United States. He is currently Co-Head of the Asset Management segment and a member of the Linedata Executive Committee.

**Next communication:** 3<sup>rd</sup> quarter 2018 revenue, 18 October 2018



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## ABOUT LINEDATA

With 20 years' experience and 700+ clients in 50 countries, Linedata's 1300 employees in 20 offices provide global humanized technology solutions and services for the asset management and credit industries. Linedata supports corporate development and boosts its clients' growth.

Linedata's 2017 revenue was €179.0 million. Linedata is listed on Euronext Paris compartment B FR0004156297-LIN – Reuters LDSV.PA – Bloomberg LIN:FP.

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