

Press Release

7 November 2019

KEYRUS

insight into value

3rd quarter 2019 revenues: €67.3m Q3 organic growth*: +1.0%

Consolidated revenues (€m)	2019	2018	Growth
1 st quarter	74.1	68.1	8.9%
2 nd quarter	71.4	67.7	5.5%
3 rd quarter	67.3	63.7	5.7%
9-month total	212.9	199.5	6.7%

Levallois, 7 November 2019 – The **Keyrus Group** achieved revenues of €67.3m in the third quarter of 2019, an increase of 5.7% as compared with the third quarter of 2018 (+1.0% at constant scope and exchange rates). For the first nine months of the year, this growth stood at 6.7% (+2.6% at constant scope and exchange rates).

Large Account activities posted increased organic growth of 4.4% (+1.9% based on reported figures) for the 3rd quarter, and an increase, for the 9 months, of 4.2% (+2.1% based on reported figures). This organic growth, which has proved to be higher than that achieved in the second quarter (+0.6%), confirms that certain markets are seeing an upturn as compared with the slowdown experienced at the start of the year.

Like in the previous quarters, growth remains solid in North America, Latin America, and also in the Africa and Middle East zone.

On the other hand, the slowdown in activities in Europe continues, but actions are nevertheless being taken to improve the activity rate and rationalize overheads, and these should limit the impact of this decline in activity on profitability in the second half of the year.

In this context of performance optimization, **Keyrus** has not slackened its pace of innovation-related investments. It continues to develop solutions that deliver a rapid return on investment, by relying increasingly on Cloud infrastructures to accelerate its clients' digital transformation cycles.

Mid-Market activities, carried on by the Group's **Absys Cyborg** subsidiary, posted third-quarter organic growth that was less positive than for the first half of the year, with an increase of 11.1% as compared with the third quarter of 2018 (-2.1% at constant scope and exchange rates).

In a positive Business dynamic, Mid-Market activities were nevertheless adversely affected, in the third quarter, by the desire, on the part of the editors Sage and Microsoft, to suddenly terminate, in early July, the "on premise" license selling method in favour of a "subscription" method that significantly impairs revenues, notably for Sage FRP 1000 Cloud, a major product line of **Absys Cyborg**.

Alongside this, investments in new Cloud Managed Services and Management Consulting offerings continue to pay for themselves, as the order book grows. Lastly, **Absys Cyborg** completed its acquisition of the **Azuneed** company, a specialist in SaaS HRIS software suites, so as to strengthen its value proposition for its clients with an SaaS software publishing strategy that broadens its portfolio of agile digital solution offerings in a market that is still in the equipping phase.

A "white-label" agreement has been reached with Sage for it to distribute and market this service under the name "Sage Employee Space", and this will enable the editor to reinforce both the competitiveness of its HR Cloud offering, and its strategic and longstanding partnership with **Absys Cyborg**.

Keyrus will publish its revenues for the 4th quarter of 2019 on 13 February 2020 after market close.

Breakdown of revenues by operational sector

Consolidated revenues (€m)	Large Accounts		Mid-Market		Total	
	2019	2018	2019	2018	2019	2018
1 st quarter	56.9	54.0	17.2	14.1	74.1	68.1
2 nd quarter	56.0	54.6	15.4	13.1	71.4	67.7
3 rd quarter	53.2	51.0	14.1	12.7	67.3	63.7
9-month total	166.2	159.5	46.7	39.9	212.9	199.5

* DEFINITION OF THE NOTION OF ORGANIC GROWTH IN REVENUES

The notion of organic growth in revenues involves presenting the revenues of the preceding year (N-1, in this case, the 2018 financial year) restated in such a way as to apply the exchange rates and scope of consolidation of the current year (N, in this case, the 2019 financial year). The Group then calculates a figure for organic N-1 revenues by:

- using the exchange rates of year N to calculate the reported revenues of companies outside the Eurozone in year N-1 ;
- adding to the reported revenues for year N-1 the N-1 revenues of companies that came within the scope of consolidation in year N ;
- deducting from the reported revenues for year N-1 the N-1 revenues of companies that went out of the scope of consolidation in year N.

In 2019, the adjustments to go from reported 2018 revenues to organic 2018 revenues look as follows:



ABOUT THE KEYRUS GROUP

Keyrus – Large Account Activities

An international player in consulting and technologies and a specialist in Data and Digital, **Keyrus** is dedicated to helping enterprises take advantage of the Data and Digital paradigm to enhance their performance, facilitate and accelerate their transformation, and generate new drivers of growth and competitiveness.

Placing innovation at the heart of its strategy, **Keyrus** is developing a value proposition that is unique in the market and centred around an innovative offering founded upon a combination of three major and convergent areas of expertise:

- **Data Intelligence :**
Data Science – Artificial Intelligence - Big Data & Cloud Analytics – Business Intelligence – EIM – CPM/EPM
- **Digital Experience :**
Innovation & Digital Strategy – Digital Marketing - DMP & CRM – Digital Commerce – Digital Performance – User Experience
- **Management & Transformation Consulting :**
Strategy & Innovation – Digital Transformation – Performance Management – Project Support

Absys Cyborg – Mid-Market Activities

Absys Cyborg is a specialist in the publication and integration of management solutions:

- **Management, ERP, and CRM software**
- **Hosting and Managed Services**
- **Collaborative solutions**
- **Reporting and Business Intelligence**
- **Consulting, Project Management Support Steering, IT Strategy**

Absys Cyborg is a leading integrator of Sage and Microsoft solutions and positions itself as a recognized expert in all the product lines of the Sage editor (Sage 100, Sage Pay, Sage FRP 1000, Sage X3) and Microsoft Dynamics.

Present in 18 countries on 4 continents, the **Keyrus** Group has 3,300 employees.

Keyrus is quoted in compartment C of the Eurolist of Euronext Paris
(Compartment C/Small caps – ISIN Code: FR0004029411 – Reuters: KEYR.PA – Bloomberg: KEY:FP)
Further information at: www.keyrus.com