



PRESS  
RELEASE

## ANNUAL EARNINGS

2016: a year of transition  
Operating margin: 17.7%  
Strengthening the executive management  
team

**Angers, 21 March 2016 – Evolis, world leader in plastic card customisation solutions, is announcing its earnings for FY 2016 approved by its board of directors on 16 March 2017.**

M€	2015	2016	VARIATION
Sales	76.7	76.9	+0.3%
Operating income	14.8	13.6	-8.3%
Op. margin in % of sales	19.3%	17.7%	-1.6 pts
Financial income	0.5	0.5	0%
Income tax	-5.0	-4.7	-6.0%
Net earnings	10.3	9.4	-8.7%
Net margin in % of sales	13.4%	12.2%	-1.2 pt

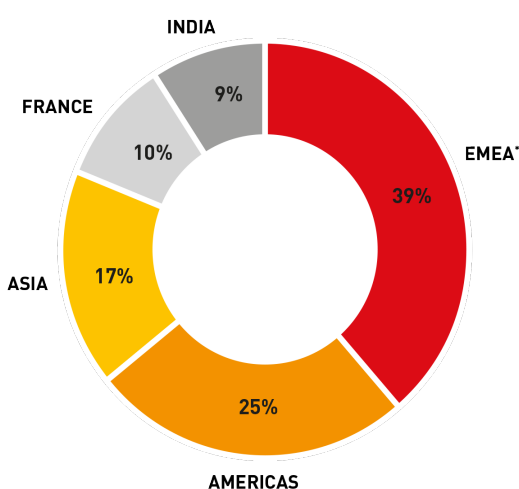
Emmanuel Picot, President and Chief Executive Officer, declares: “Following an excellent financial year 2015, Evolis succeeded in maintaining its turnover in 2016, despite an adverse base effect. Continuing its expansion strategy based on diversification and global growth, Evolis is strengthening its executive management team with the recruitment of Christian Lefort, who will take up his duties on 3 April next. Thanks to his expertise and know-how, Christian Lefort will contribute to developing and reinforcing our market position.”

### 2016 SALES GLOBALLY STABLE WITH SIGNIFICANT BUSINESS GROWTH IN CHINA AND INDIA

Evolis' FY 2016 consolidated sales are up +0.3% vs. 2015 in line with the forecasts.

- The Channels business is up 10.5%, driven notably by high growth in India (+50.7%) and Asia (+14.9%). The Americas show slight negative growth of 1%, with a slump in the ID business almost compensated by the IT Office business, which has achieved 37% growth in the area.
- The Projects business remains stable despite an adverse base effect (Tanzania M€ 4.8 contract in 2015) and the postponement of some major projects in 2016. This line is still being driven by the US banking market representing 26% of Projects turnover, and the development of the Projects business in China during the second half.

**90%**  
international  
sales in 2016



\*Europe, Middle East, Africa  
(except France)

- Two geographical areas stood out in these two business lines in 2016: India (+30.6%) and China (+89%). The share in turnover of these two countries has significantly grown from 11.6% of global sales in 2015 to 18.0% in 2016.

## 2016 EARNINGS: A YEAR OF TRANSITION

Gross margin for 2016 remains excellent at 59.6% (vs. 59.1% in 2015) of turnover due to an evolution in the networks/projects mix. During this structuring and development phase, the operating margin has declined 1.6 pts to 17.7%, in line with the group's expectations.

Net earnings remain healthy at 12.2 %, with a slight decline of 1.2 pts.

In this context, self-financing capacity is sound and has attained a level of M€ 12.6. Net cash flow remains stable (M€ 24.9), despite an increase in investments and payment of an extraordinary dividend.

## SALES GROWTH PROSPECTS FOR 2017 ON THE ORDER OF 5%

After a year of transition, 2017 will be a year of structuring (opening of an office in Tokyo, structural reorganisation on the American continent, the recruitment of a senior manager) aimed at putting the group back on the track to growth in sales on the order of 5% in consolidated data.

## PROPOSED DIVIDEND OF € 1.20 PER SHARE

Because earnings and cash flow was maintained in 2016, and in view of a very sound and unleveraged financial structure, the Group has decided to submit the payment of a € 1.20 dividend to the approval of the shareholders general meeting on 4 May next.

## STRENGTHENING THE EXECUTIVE MANAGEMENT TEAM

To support Evolis' development and in view of the group's maturity, Evolis has decided to recruit a senior manager. Christian Lefort will be in charge of adapting and implementing the group's strategy beginning on 03 April 2017.

54 year old Christian Lefort, of French-German birth, holds a graduate degree from the Institut Supérieur de Gestion and has acquired 27 years of experience with the Armor SA group in Nantes and with the American group Dover Corporate in the sales & marketing division of its subsidiary Markem-Imaje in Valence, before becoming CEO of its subsidiary Datamax-O'Neil in the United States, followed by Dirickx in Mayenne. Armed with experience as an international business developer, Christian Lefort has built his expertise on his ability to implement strategic sales plans and his know-how in production management and distribution channel development both in France and internationally.

Christian Lefort adds: "I thank Evolis for the trust its senior managers have shown in me. I fully realize Evolis' formidable potential and advantages in our business ecosystem. Everyone has done an amazing job to take Evolis all the way to the top as a world leader in its field. It is now for us to bring our technology to new markets by fine tuning our diversification strategy. This is how we'll be able to continue to create value for the company, our employees and our shareholders."

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## ABOUT EVOLIS (Alternext : ALTVO)

Evolis, the worldwide leader, develops, manufactures and markets a complete range of card printers that provide all the options needed for graphic, magnetic and electric personalization (contact or contactless chip cards – RFID technology) of all types of cards (national ID cards, payment cards, employee badges, student cards, etc.). Evolis also markets a broad range of products and services for identifying people and goods: software for customizing cards (through the cardPresso subsidiary), a complete line of card accessories (through the Sogedex Accessories subsidiary) as well as signature pads and support services.

Based in Angers (France) with subsidiaries in Miami (United States), Mumbai (India), Singapore and Shanghai (China), Evolis is listed in Paris Stock Exchange (Alternext) and earned sales of EUR 76,9 million in 2016. The Company has more than 350 employees and is represented in 150 countries throughout the world.

**Next meeting:**  
**turnover 1st quarter**  
**April, 11<sup>th</sup> 2017**  
**after trading hours**