

## PRESS RELEASE

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### Ordina N.V. reports results for first quarter 2016

#### Improved results

Nieuwegein, 26 April 2016

##### Highlights Q1

- Recurring EBITDA rises to EUR 6.5 million (Q1 2015: EUR 4.1 million);
- Recurring EBITDA margin climbs to 7.3% (Q1 2015: 4.7%);
- Revenue up 1.5% at EUR 89.9 million (Q1 2015: EUR 88.5 million);
  - Revenue the Netherlands declines 2.3% to EUR 68.1 million (Q1 2015: EUR 69.7 million);
  - Revenue Belgium/Luxembourg climbs 15.6% to EUR 21.7 million (Q1 2015: EUR 18.8 million);
- Net debt position EUR 10.9 million (Q1 2015: EUR 7.0 million);
- Savings programme on track;
- Ordina Top Employer IT sector for fourth year in a row;
- Clockwork, Ordina's digital engagement bureau, once again nominated for the Dutch Interactive Award.

##### Stépan Breedveld, CEO Ordina, on the results

"Ordina's results improved in the first quarter, on the back of slightly higher revenue. The strong performances delivered by the Belgium/Luxembourg division continued and the results of the Dutch division improved in the course of the first quarter. Revenue in the financial services, industry and healthcare sectors came in higher and the decline in revenue from the public sector continued to level out in the period under review.

Ordina's tightened strategy, aimed at turning the decline in revenue into profitable growth, starts to bear fruit. The savings programme aimed at cutting costs by EUR 15 million a year is on schedule. We have now largely completed the organisational changes.

Growth and innovation are major priorities in our innovation agenda. To accelerate our innovation agenda, we have set an innovation cluster, which will create optimal growth conditions for parts of the company with an innovative or start-up character. Our efforts on the digital services front are also bearing fruit. Our digital engagement bureau, Clockwork, has once again been nominated for the Dutch Interactive Award."

##### Strategy update

Ordina gave an update on its strategy during the presentation of its full year results. The highlights and the progress made in this strategy are outlined below.

##### Streamlining and savings

The savings programme aimed at achieving structural annual cost savings of EUR 15 million is on track. We will have achieved these savings by Q4 2016. The savings had a positive impact of around EUR 1.5 million on the full-year 2015 results. The savings will have a positive impact of around EUR 11-12 million on the 2016 results. The remaining savings of around EUR 1.5-2.5 million will be visible in the results from 2017 onwards, which is when we will have realised the full cumulative savings of EUR 15 million per year. In addition to direct and indirect savings, the savings programme also includes process improvements and reductions in out-of-pocket expenses. This will result in a lower overhead and availability below the 10% level on a structural basis, all of which will boost margins.

The merger of Sourcing and Sales has created a greater focus on the commercial development of Ordina clients in the Netherlands. From 1 April onwards, all delivery units in the Netherlands are now managed by a single Operational Director, which has boosted the operational effectiveness of the business.

### Growth and investment

Ordina has added focus to its segment strategy and client approach. We now focus on increasing our added value for existing clients via new propositions and proven solutions and on the development of new clients for which Ordina can become an important supplier. We have also defined priorities to accelerate growth focused on (innovative) applications, such as smart technology and digital services. With its local approach, Ordina is also targeting regional growth, for instance in the Belgian region of Wallonia.

Ordina continues to invest in innovation and has set up a new cluster to accelerate the development of innovative applications. This innovation cluster will create the optimal conditions in parts of the company with an innovative character, which we have identified as having higher growth potential. Targeted management attention and direction will generate additional focus in the market strategy and realisation of our innovation agenda aimed at clients. This new innovation cluster will start with Clockwork, Security, Smart Technologies and Codestar.

### Developments Q1

In the first quarter, revenue rose by 1.5% to EUR 89.9 million (Q1 2015: EUR 88.5 million). The recurring EBITDA came in at EUR 6.5 million (Q1 2015: EUR 4.1 million), after adjustment for redundancy package costs of EUR 1.9 million (Q1 2015: EUR 1.3 million). The number of working days in the first quarter was the same as in the year-earlier period and amounted to 63 in the Netherlands and Belgium/Luxembourg (2015: 63).

	Q1 2015	Q1 2016	Δ %
Public sector	32,478	30,494	-6.1%
Financial services	26,793	27,928	4.2%
Industry	24,996	25,359	1.5%
Healthcare	4,225	6,070	43.7%
<b>Total</b>	<b>88,491</b>	<b>89,851</b>	<b>1.5%</b>

<sup>1</sup> 2015 figures have been adjusted on the basis of the new division of market segment for purposes of comparison.

Revenue in the public sector segment fell by 6.1 % to EUR 30.5 million (Q1 2015: EUR 32.5 million). The decline had levelled out somewhat when compared to the drop of 8.2% in Q4 2015. Revenues in the financial services sector came in 4.2% higher at EUR 27.9 million (Q1 2015: EUR 26.8 million), largely on the back of higher revenue in the banking sector. Revenues in the industry segment were up 1.5% at EUR 25.4 million (Q1 2015: EUR 25.0 million). This increase was primarily due to growth in the sectors carriers & mainports and industrial & consumer products. Revenues in the healthcare segment came in 43.7% higher at EUR 6.1 million (Q1 2015L EUR 4.2 million). This increase was driven by persistent demand from the pharmaceutical sector in Belgium/Luxembourg.

	Q1 2015	Q1 2016	Δ %
Technology & Competences	38,612	38,350	-0.7%
Business Consulting & Solutions	14,026	12,276	-12.5%
Application Management	17,069	17,513	2.6%
Belgium/Luxembourg	18,784	21,712	15.6%
<b>Total</b>	<b>88,491</b>	<b>89,851</b>	<b>1.5%</b>

	2016		2015	
	NL	B	NL	B
<b>Number of workable days</b>				
Q1	63	63	63	63
Q2	62	62	60	61
Q3	66	64	66	64
Q4	64	62	65	63
<b>Total</b>	<b>255</b>	<b>251</b>	<b>254</b>	<b>251</b>

**Technology & Competences** The Technology & Competences division designs and builds applications for our clients. The division does this in the contract forms professional services and projects, both for out-of-the-box solutions and tailor-made solutions. Revenue fell slightly by 0.7% to EUR 38.4 million in the first quarter (Q1 2015: EUR 38.6 million). A lack of demand in the public sector was largely offset by growing revenues in the financial services sector. We also realised growth from clients in the industry sector.

**Business Consulting & Solutions** The Business Consulting & Solutions division advises clients on how they can improve their processes and IT systems. This division combines business know-how with technical expertise to devise sustainable solutions in the field of business intelligence, (digital) client interaction, chain integration and security. This division saw revenues decline by 12.5% to EUR 12.3 million (Q1 2015: EUR 14.0 million). The termination of the activities of the Change & Learning unit had a negative impact of EUR 0.5 million. The decline was 9.0% when adjusted for this loss of revenue.

**Application Management** The Application Management division provides management, maintenance and renewal of applications on the basis of long-term contracts. This division's revenue came in 2.6% higher at EUR 17.5 million (Q1 2015: EUR 17.1 million). The increase was largely the result of growth in the industry sector.

**Belgium/Luxembourg** The Belgium/Luxembourg division delivers IT services and designs, builds and manages applications in Belgium and Luxembourg. In addition, this division offers a range specialised solutions for specific sectors. The division's revenue was up 15.6% at EUR 21.7 million (Q1 2015: EUR 18.8 million). This increase was largely driven by strong growth in the healthcare sector.

#### **Employees**

At the end of Q1 2016, the number of employees stood at 2,801 FTEs. The total inflow was 121 FTEs in the first quarter, while the outflow was 206 FTEs. This resulted in a decline, on balance, of 85 FTEs compared to Q4 2015 (end-Q1 2015: 2,920 FTEs).

### Development in the workforce

	Q4 2015	Inflow	Outflow	Q1 2016
Direct FTE	2,542	109	182	2,469
Indirect FTE	344	12	24	332
<b>Total</b>	<b>2,886</b>	<b>121</b>	<b>206</b>	<b>2,801</b>

### Financing

Net debt stood at EUR 10.9 million at the end of Q1 2016, an increase of EUR 3.9 million compared to Q1 2015 (EUR 7.0 million). This was largely due to the negative net result for the full year 2015.

The net debt /adjusted EBITDA ratio was 0.8 (maximum leverage ratio:  $\leq 2.50$ ) and the Interest Cover Ratio stood at 28.1 (minimum interest cover ratio:  $\geq 4.0$ ). This puts the ratios well within the limits set in the bank covenants.

### Forecast

We decline to give a forecast for the coming period.

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### About Ordina

Ordina is the largest independent IT services provider in de Benelux, with more than 2,800 employees. We devise, build and manage IT applications in the public sector, financial services sector, in industry and in healthcare. Our goal is IT that helps people. IT that matters and that has been developed without wasting resources. We do this by working with our clients in partnerships for sustainable innovation.

Ordina was founded in 1973. The company's shares have been listed on NYSE Euronext Amsterdam since 1987 and are included in the Small Cap Index (AScX). In 2015, Ordina recorded revenues of EUR 348 million. You will find additional information on our corporate website: [www.ordina.com](http://www.ordina.com).

### Additional information

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*This document contains forward looking statements regarding the financial performance of Ordina N.V. and outlines certain plans, targets and ambitions based on current insights. Such forecasts are obviously not without risk and entail a certain degree of uncertainty since there are no guarantees regarding future circumstances. There are multiple factors that could potentially result in the actual results and outcomes differing from those outlined in this document. Such factors include: general economic trends, the pace of globalisation of the markets for solutions, IT and consulting, increased performance commitments, scarcity on the labour market, and future acquisitions and disposals.*