

## PRESS RELEASE

---

### Ordina N.V. results third quarter 2016

### Operating result higher on lower revenue

Nieuwegein, 1 November 2016

#### Highlights Q3 2016

- Recurring EBITDA rises to EUR 4.2 million (Q3 2015: EUR 3.7 million);
- Recurring EBITDA margin rises to 5.2% (Q3 2015: 4.3 %);
- Revenue declines by 3.7% to EUR 81.6 million (Q3 2015: EUR 84.8 million);
  - Revenue the Netherlands declines by 8.7% to EUR 60.8 million (Q3 2015: EUR 66.6 million);
  - Revenue Belgium /Luxembourg rises by 14.6% to EUR 20.9 million (Q3 2015: EUR 18.2 million);
- Net debt position reduced to EUR 5.9 million (Q3 2015: EUR 11.1 million);
- Employee engagement score increases to 6.8;
- Ordina wins five framework contracts for IT outsourcing in the public sector.

#### Highlights Q1-Q3 2016

- Net result rises to EUR 3.3 million profit (YTD Q3 2015: EUR 4.0 million loss)
- Recurring EBITDA rises to EUR 16.0 million (YTD Q3 2015: EUR 7.0 million);
- Recurring EBITDA margin rises to 6.2% (YTD Q3 2015: 2.7%);
- Revenue rises by 0.8% to EUR 259.4 million (YTD Q3 2015: EUR 257.5 million);
  - Revenue the Netherlands declines by 4.1% to EUR 194.3 million (YTD Q3 2015: EUR 202.6 million);
  - Revenue Belgium / Luxembourg rises by 18.6% to EUR 65.1 million (YTD Q3 2015: EUR 54.9 million).

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

“With less revenues in the public sector and financial services segments, the result increased on the back of cost controls. The growth in the industry and healthcare segments continued. Belgium/Luxembourg performs well.

The recent win of five framework IT outsourcing contracts from the Ministry for the Interior and Kingdom Relations (BZK) creates a solid basis for growth in revenues from the public sector in due course. These contracts are for IT positions in outsourcing fields that Ordina did not previously fill directly.

To ensure Ordina maintains the right number of direct employees, we make additional investments in the recruitment and retention. As part of these efforts, we used 50 workshops to engage our employees in the deployment of our strategy. Our employees view their participation in these sessions as very positive and say it increases their engagement with Ordina. We are pleased that our employee engagement level has increased once again and that our clients responded very positively to our biggest event of the year, the Ordina Open Innovation Days. We saw enormous interest in the Ordina solutions we presented to the more than 400 clients and business contacts who attended the event.

To better help our clients in the modernisation and digitisation of their business operations, Ordina will partner with T-Systems for a joint go-to-market strategy in the field of cloud, workstation and application services. As part of that cooperation, T-Systems will provide Ordina with hosting services.”

### Developments Q3 2016

Revenue declined by 3.7% to EUR 81.6 million in Q3 (Q3 2015: EUR 84.8 million). Recurring EBITDA increased to EUR 4.2 million (Q3 2015: EUR 3.7 million), after adjustment for redundancy payments of EUR 1.7 million (Q3 2015: EUR 1.8 million). EBITDA increased to EUR 2,5 million (Q3 2015: EUR 1.7 million). The number of workable days in Q3 was unchanged from the same period in 2015 at 66 in the Netherlands (2015: 66) and 64 in Belgium/Luxembourg (2015: 64).

### Developments Q1-Q3 2016

Year to date revenues rose by 0.8% at EUR 259.4 million (Q1-Q3 2015: EUR 257.5 million). Recurring EBITDA rose to EUR 16.0 million (Q1-Q3 2015: EUR 7.0 million), after adjustment for redundancy payments of EUR 5.2 million (Q1-Q3 2015: EUR 4.7 million). EBITDA increased to EUR 10.9 million (YTD 2015: EUR 0.7 million). The number of workable days in the first nine month of the year was 191 in the Netherlands (2015: 189) and 189 in Belgium/Luxembourg 189 (2015: 188).

	Q3 2015 <sup>1</sup>	Q3 2016	Δ %	Q1-Q3 2015 <sup>1</sup>	Q1-Q3 2016	Δ %
<i>(in thousands of euros)</i>						
Public sector	29,900	27,506	-8.0%	92,985	87,182	-6.2%
Financial services	26,642	23,956	-10.1%	79,027	78,072	-1.2%
Industry	23,599	24,072	2.0%	72,065	75,651	5.0%
Healthcare	4,650	6,107	31.3%	13,386	18,488	38.1%
<b>Total</b>	<b>84,792</b>	<b>81,641</b>	<b>-3.7%</b>	<b>257,462</b>	<b>259,393</b>	<b>0.8%</b>

<sup>1</sup> 2015 figures have been adjusted to reflect the current division of the market segments.

Revenue in the public sector declined by 8.0% to EUR 27.5 million in Q3 2016 (Q3 2015: EUR 29.9 million). This decline was driven primarily by a decline in the revenue from public sector project and application management contracts. The recent win of five framework IT outsourcing contracts from the Ministry for the Interior and Kingdom Relations (BZK) create a solid basis for growth of revenues from the public sector in due course. Revenue in the financial services segment declined by 10.1% to EUR 24.0 million (Q3 2015: EUR 26.6 million), largely due to the recent announcement of reorganisations in the sector. Revenue in the industry segment came in 2.0% higher at EUR 24.1 million (Q3 2015: EUR 23.6 million). This increase was largely on the back of growth in the carriers & mainports and industrial & consumer products sectors. Revenue in the healthcare segment was up 31.1% at EUR 6.1 million (Q3 2015: EUR 4.7 million). This increase was driven by continued demand in the pharmaceutical sector in Belgium/Luxembourg.

	Q3 2015	Q3 2016	Δ %	Q1-Q3 2015	Q1-Q3 2016	Δ %
<i>(in thousands of euros)</i>						
Netherlands	66,600	60,787	-8.7%	202,608	194,341	-4.1%
Professional Services	35,489	33,635	-5.2%	109,471	107,509	-1.8%
Consulting	7,256	5,898	-18.7%	21,894	19,082	-12.8%
Application Management	17,370	16,102	-7.3%	51,681	50,950	-1.4%
Innovation cluster	6,485	5,152	-20.6%	19,562	16,800	-14.1%
Belgium/Luxembourg	18,192	20,854	14.6%	54,854	65,052	18.6%
<b>Total</b>	<b>84,792</b>	<b>81,641</b>	<b>-3.7%</b>	<b>257,462</b>	<b>259,393</b>	<b>0.8%</b>

	2015		2016	
	NL	B	NL	B
<b>Overzicht werkbare dagen</b>				
Q1	63	63	63	63
Q2	60	61	62	62
Q3	66	64	66	64
Q4	65	63	64	62
<b>Totaal</b>	<b>254</b>	<b>251</b>	<b>255</b>	<b>251</b>

**Netherlands** In the Netherlands, our activities are divided into professional services, consulting, application management and the innovation cluster.

In professional services, we design, build and test applications for our clients, for both existing package solutions and custom work. Revenue declined in the third quarter by 5.2% to EUR 33.6 million (Q3 2015: EUR 35.5 million). Increasing revenue from industry clients is partly offsetting the decline in demand in the public and financial services sectors.

Via our consulting business, we advise our clients on improvements to their processes and IT systems and combine business know-how with technical expertise in sustainable solutions in fields such as business intelligence and chain integration. Revenue declined by 18.7% to EUR 5.9 million (Q3 2015: EUR 7.3 million). This decline was driven mainly by lower revenue in the financial services sector.

Application management provides management, maintenance and renewal of applications on the basis of long-term contracts. Revenue declined by 7.3% to EUR 16.1 million (Q3 2015: EUR 17.4 million). This decline was largely due to shrinkage in the public sector. There is room for improvement in our capacity utilisation and we are therefore focusing on the reduction of surplus capacity and the acquisition of new application management contracts.

We set up the innovation cluster to create a platform for innovative technologies, concepts and propositions and develop these innovations towards a healthy scale and returns. Revenue declined by 20.6% to EUR 5.2 million (Q3 2015: EUR 6.5 million). The cluster is currently in the start-up phase. We are developing propositions in areas such as security, Scala, smart technologies. Our digital engagement bureau Clockwork is also an important part of this cluster.

**Belgium/Luxembourg** In Belgium/Luxembourg, Ordina designs and manages applications and is active in solutions for specific industries. Revenue rose by 14.6% to EUR 20.9 million (Q3 2015: EUR 18.2 million). This increase was largely on the back of strong growth in the healthcare segment.

### Employees

At end-Q3 2016, the total number of employees stood at 2,707 FTEs. In the third quarter, the total influx of new employees was 117 FTEs and the outflow was 161 FTEs, which on balance means a decline of 44 FTEs compared to the end of Q2 2016 (end-Q3 2015: 2,914 FTEs). In 2016, Ordina's employee engagement score rose to 6.8 from 6.5. Our ambition is a score of at least 7.0 and we are taking various measures to continue to improve that score.

## Movements in the number of employees

	Q2 2016	Influx	Outflow	Q3 2016
Direct FTEs	2,426	103	139	2,390
Indirect FTEs	325	14	22	317
<b>Total</b>	<b>2,751</b>	<b>117</b>	<b>161</b>	<b>2,707</b>

## Financing

Net debt stood at EUR 5.9 million at end-Q3 2016, a decline of EUR 5.2 million compared to Q3 2015 (EUR 11.1 million). This was largely the result of the positive net result in 2016 and strict working capital management.

The net debt / 'adjusted' EBITDA ratio stood at 0.3 (maximum leverage ratio:  $\leq 2.50$ ) and the Interest Cover Ratio stood at 51.8 (minimum interest cover ratio:  $\geq 4.0$ ). These ratios are therefore well within the bandwidth agreed in the bank covenants.

###

## About Ordina

Ordina is the largest independent IT services provider in de Benelux, with more than 2,700 employees. We devise, build and manage IT applications in the public sector, financial services sector, in industry and in the healthcare sector. Our goal is IT that truly 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

### For more information about this press release, please contact:

Joyce van Wijnen, Investor Relations

Mail: [joyce.van.wijnen@ordina.nl](mailto:joyce.van.wijnen@ordina.nl)

Telephone: +31 (0)30 663 7468

Jeroen Hellenberg, Communications

Mail: [jeroen.hellenberg@ordina.nl](mailto:jeroen.hellenberg@ordina.nl)

Telephone: +31 (0)30 663 8557

Annemieke den Otter, CFO

Mail: [annemieke.den.otter@ordina.nl](mailto:annemieke.den.otter@ordina.nl)

Telephone: +31 (0)30 663 8906

Stépan Breedveld, CEO

Mail: [stepan.breedveld@ordina.nl](mailto:stepan.breedveld@ordina.nl)

Telephone: +31 (0)30 663 7111

*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.*