

# First quarter sales up 9%

unadjusted for changes in scope



## Sales; successful integration of acquired companies

Revenue from "Licenses and Integration services" advanced by nearly 11% (down 4.4% at constant scope) in the first quarter of 2009. The pace of growth in March was slightly ahead of that of the first two months of the year. Revenue from recurrent contracts rose by nearly 10%. This increase reflected the impact of acquisitions carried out in 2008 and confirmed the strong growth in the portfolio of recurrent contracts. As of March 31, 2009, the annual value of these contracts was €121 million.

Consolidated sales in the first quarter of 2009 totaled €62.0 million\*, vs. €56.8 million in the year-earlier period, representing growth of 9.1% (decline of 3.4% at constant scope).

Consolidated sales (€M) Unadjusted for changes in scope		Q1	of which	
			"Licenses and Integration services"	"Hardware and installation"
CPAs, small companies	2009	25.3	9.0	2.9
	2008	27.0	10.0	3.0
Mid-market and groups	2009	16.5	7.9	0.2
	2008	15.9	7.4	0.2
Vertical markets	2009	15.6	8.2	1.2
	2008	13.2	6.9	1.3
Public sector	2009	3.0	1.8	0.0
	2008			
Miscellaneous	2009	1.6	0.1	0.0
	2008	0.7	0.1	0.0
Total	2009	62.0	27.0	4.3
	2008	56.8	24.4	4.5

\*Net effect of changes in the scope of consolidation: €7.1 million

## Conservative business approach, in line with economic conditions

The product mix improved, as a result of the increase in revenue from "Licenses and Integration services" and in recurrent revenue. This led to a further increase in the gross margin, which was 87% of sales (vs. 84.8% in Q1 2008).

The estimated average monthly breakeven point for the first quarter of 2009 was in line with our objectives and should lead to an average monthly breakeven in the region of €19.1 million over the full year. In particular, it reflected the changes in consolidation scope that took place in April and September 2008 (including VCSTIMELESS in the Retail sector abroad) and the increase in amortization expense on development costs.

In light of these factors, initial estimates point to a level of earnings in line with those of the first quarter of 2008.

Separately, Cegid continued to implement its strategy to focus on its principal areas of expertise. In this regard, discussions are currently underway that could lead to the sale of the vertical markets business for the construction industry (sales of approx. €1 million, 10 employees).

## Shareholders' Meeting and dividend

The Shareholders' Meeting will take place on May 12, 2009 at 11 AM in the head office of Cegid, 52 quai Paul Sédallian, 69009 Lyon, France. After approval by shareholders, the proposed dividend (€1 per share) will be paid on May 18, 2009.

Second quarter sales and first half 2009 earnings will be announced on July 22, 2009, after the market close. The full calendar of publication dates and upcoming events can be found at the following address:

<http://www.cegid.com/calendrier-financier>

*This English translation is for the convenience of English-speaking readers. However, only the French text has legal value. Consequently, the translation may not be relied upon to sustain any legal claim, nor should it be used as the basis of any legal opinion. Cegid Group expressly disclaims all liability for any inaccuracy herein.*

(The figures included in this press release are unaudited, preliminary estimates.)

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