



Generix Group: 2009/10 half-year accounts

- Good resilience in challenging context
- Solid development of "On Demand" collaborative model

Paris, 24 November 2009 - **Generix Group, software editor for the retail sector, today issues its consolidated financial statements for the first half of its 2009/10 year, ended 30 September 2009.**

→ Satisfactory sales performance thanks to increasing importance of "On Demand"

In a challenging IT investment context, characterised by a general contraction in licence sales and a particularly difficult situation in the Commerce & Distribution universe, Generix Group has recorded satisfactory commercial performance.

There was rapid growth in the importance of its collaborative "On Demand" model - significantly ahead of the competition - which offers a solution that is well-suited to retailers' performance priorities.

Despite an unfavourable base effect - given a strong first six months in the 2008/09 year - the Group's revenue was almost stable in the half year, bearing witness to the recurrence of its revenue model.

| Revenue (€ thousands) | H1 08/09 | H1 09/10 | Var % |
|----------------------------|---------------|---------------|------------|
| Licences | 5,936 | 4,427 | -25% |
| "On Demand" | 2,938 | 3,714 | +26% |
| Maintenance & Support | 10,114 | 10,694 | +6% |
| Publishing business | 18,988 | 18,836 | -1% |
| Consulting & Services | 14,551 | 14,182 | -3% |
| Revenue | 33,539 | 33,018 | -2% |

→ Financial statements reflect increasingly rapid change towards On Demand.

→ Cash flow generation improves

In the first six months of its year, Generix Group continued the gradual adjustment of its cost structure to this ever more rental-based profile, while seeking to safeguard its advantages.

The Group has maintained a proactive investment policy, to spur on the development of its model towards the On Demand offering, while taking care to maintain firm control of fixed costs. Ebitda was slightly negative at minus €0.4 million.

| Income statement items, € millions | H1 08/09 | H1 09/10 | Var, € millions |
|---|--------------|--------------|-----------------|
| Revenue | 33.5 | 33.0 | -0.5 |
| EBITDA | 0.9 | -0.4 | -1.3 |
| Non-recurrent integration expenses | -0.9 | 0 | +0.9 |
| Operating profit (loss) | -1.2 | -2.5 | -1.2 |
| Net financial (expense) income | +0.1 | -0.3 | -0.4 |
| Profit for period before tax | -1.2 | -2.7 | -1.5 |
| Income tax expense | -0.1 | +0.8 | +0.8 |
| Profit attributable to equity holders of parent | -1.2 | -1.9 | -0.7 |
| <i>Net margin</i> | <i>-3.4%</i> | <i>-5.8%</i> | <i>-2.4 pts</i> |

In the first half of its 2009/10 year, the Group recorded a large €3 million improvement in operating cash flow against the same period a year earlier. The software publishing activity has considerable seasonality in its cash flows, with annual maintenance representing 30% of revenue.

| Main cash flow statement items, in € millions | H1 08/09 | H2 08/09 | H1 09/10 |
|---|----------|----------|----------|
| Gross cash flow | 0.5 | 0 | 0.5 |
| Change in WCR | -5.1 | 7.8 | -1.9 |
| Operating cash flow | -4.6 | 7.8 | -1.5 |
| Investments | -1.8 | -2 | -2.5 |
| Free cash-flow | -6.4 | 5.8 | -4.0 |
| Borrowing (+) /Debt repayment (-) | 0.6 | -2.6 | -1.8 |
| Cash at beginning of period | 9.2 | 3.4 | 6.7 |
| Cash at end of period | 3.4 | 6.7 | 0.9 |

The Group has paid down €1.8 million of debt in the last year. Generix Group therefore boasts a solid balance sheet with gearing decreasing - to 33% - plus €37.8 million in equity and a €7.6 million negative WCR.

→ Conclusion and outlook

Jean-Charles Deconninck, Chairman of the Executive Board, concluded: *"Though decision-making times remain long, there is more visibility in licence sales than in the previous half-year. The first six months of this year have reassured us with regard to our strategy and choice of technological, functional and business model. The launch of On Demand warehouse management is proving very encouraging; over time, it is to be supplemented by a comprehensive high-quality Supply Chain management model that should establish itself as the new market benchmark."*

**Next press release: 27 January 2010
Revenue for the third-quarter 2009/10, ending 31 December 2009.**

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About Generix Group

Generix Group offers a full range of collaborative solutions for knowledge transfer, supply chain management and value-chain optimisation. Its applications are designed for companies in the agrofood, FMCG, food and specialist retailing, automotive, healthcare and transport industries.

With 600 employees and €68 million in revenue, Generix Group is the leading European retail and supply chain software publisher. With customers including Carrefour, Gefco, Leclerc, Leroy Merlin, Nestlé, Unilever, DHL Exel Supply Chain, Louis Vuitton, Sodiaal, Metro, Sara Lee, Kuehne + Nagel and Cdiscount, over 1,500 retailers, global manufacturers and logistics companies now rely on Generix collaborative software.

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