



## Generix Group announces interim results for the six months ended September 30, 2010 Positive EBITDA

Paris, November 18, 2010 - **Generix Group, a leading software vendor for Collaborative Business, today issued its interim financial statements for the six-month period ended September 30, 2010.**

Generix Group recorded a positive EBITDA with stable revenues and good control over operating expenses. The operating loss was reduced to 1.5 million of Euros for this six-month period compared to 2.1 millions of Euros in the same six-month period last year, although capitalized software development costs were decreased by 0.9 million of Euros.

IFRS consolidated accounts, in millions of euros	Six months ended September 30,		Change m€	Change %
	2010	2009		
<b>Revenues</b>	<b>32,3</b>	<b>33,0</b>	<b>(0,7)</b>	<b>-2%</b>
Operational expenses (1)	(33,8)	(35,1)	1,3	-4%
<b>Loss from operations</b>	<b>(1,5)</b>	<b>(2,1)</b>	<b>0,6</b>	<b>-29%</b>
Financial expenses	(0,4)	(0,3)	(0,1)	33%
Loss before incomes taxes	(1,9)	(2,4)	0,5	-21%
Income taxes benefit (1)	0,3	0,5	(0,2)	-40%
<b>Net result</b>	<b>(1,6)</b>	<b>(1,9)</b>	<b>0,3</b>	<b>-16%</b>

(1) The property tax is now recorded as a reduction of the income tax benefit as opposed to an operational expense in previous years. This tax amounts to 363 k€ in the six months ended September 30, 2010. The property tax amounting to 326 k€ in the six month period ended September 30, 2009 was reclassified as a reduction of the income taxes benefit for comparability purposes.

EBITDA in millions of euros	Six months ended September 30,		Change m€	Change %
	2010	2009		
Income from operations	(1,5)	(2,1)	0,6	-29%
<b>Adjustments:</b>				
Depreciation, Amortization, net	2,8	3,7	(0,9)	-24%
Capitalized software development costs	(0,7)	(1,6)	0,9	-56%
<b>EBITDA (2)</b>	<b>0,6</b>	<b>0,0</b>	<b>0,6</b>	

(2) EBITDA = loss from operations + release of unused accrual on current assets and provisions for risks and charges + amortizations - capitalized software development costs

Generix Group license revenues decreased in the first half of fiscal year 2010/2011 compared to the same period last year. This decrease was offset by a significant growth of the "On Demand" activity relying on a booming installed base, hence confirming the relevance of this model. The first half of fiscal year 2010/2011 was highlighted by the realignment of the sales force by market types, and by an improved readability of Generix Group's offering around Collaborative Business solutions. At the end of this period, the sales backlog is improving.

Operational expenses decreased this six-month period compared to the same period last year thanks to rationalization of costs and optimization of the organization across all departments. Generix Group's average headcount of 571 on the six-month period was stable compared to the same period last year. In addition, the company decreased its level of risk in particular for accounts receivable, and recorded a net release of 0.3 million of Euros of its corresponding depreciation at September 30, 2010, compared to a net accrual of 0.5 million of Euros at September 30, 2009.

The company's net debt remains stable at September 30, 2010 compared to September 30, 2009.

Consolidated statements of cash flows, in millions of euros	Six months ended September 30,		Change	Change
	2010	2009	m€	%
Net income adjusted by non-cash items	0,4	0,5	(0,1)	-20%
Change in working capital	(6,6)	(2,0)	(4,6)	230%
Net cash by operating activities	(6,2)	(1,5)	(4,7)	313%
Net Cash used in investing activities	(1,2)	(2,5)	1,3	-52%
Net cash used in financing activities	5,1	(1,8)	6,9	-383%
Net decrease in cash and cash equivalents	(2,3)	(5,8)	3,5	-60%
<b>Cash and cash equivalents, end of period</b>	<b>3,6</b>	<b>0,9</b>	<b>2,7</b>	<b>300%</b>

Net debt, in millions of euros	Six months ended September 30,		Change	Change
	2010	2009	m€	%
Cash and cash equivalents, end of period	3,6	0,9	2,7	309%
Short-term and long-term portions of financial obligations	(16,5)	(13,7)	(2,8)	21%
<b>Net debt</b>	<b>(12,9)</b>	<b>(12,8)</b>	<b>(0,1)</b>	<b>1%</b>

Cash flow statements summarize the flows between March 31 and September 30 of fiscal years 2010/2011 and 2009/2010. Between these two dates, working capital needs increased because of the payment of annual maintenance contracts invoiced at the beginning of the calendar year and then ratably recorded as revenues during the rest of the year. These payments were exceptionally high in the first half of 2009/2010 because of the payments of old outstanding debtors, which exceptional situation did not recur in the first half of 2010/2011.

In conclusion, results for this first six-month period don't impair Generix Group's perspectives for the full financial year, i.e. growth of revenues and break-even. Sales activity is rebounding and enables to foresee an improvement of revenues for the upcoming quarters of this fiscal year.

#### Supplemental and non-IFRS Financial Information

Supplemental non-IFRS information (above-mentioned as EBITDA and Net Debt) presented in this press release are subject to inherent limitations. It is not based on any comprehensive set of accounting rules or principles and should not be considered as a substitute for IFRS measurements. Also, the Company's supplemental non-IFRS financial information may not be comparable to similarly titled non-IFRS measures used by other companies.

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The interim financial statements for the six-month period ended September 30, 2010 are available on the Company's website [www.generixgroup.com](http://www.generixgroup.com)

Next press release: January 20, 2011  
Revenues for the third quarter of financial year 2010/2011

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#### About Generix Group

Generix Group offers Collaborative Business solutions that optimize consumer goods availability across the supply chain and increase their sales. This unique offering on the market is targeted at the CPG industry, food & specialist retail, e-commerce and transport/logistics companies.

With €68 million in revenues, Generix Group is the European leader for Collaborative Business solutions for the trade and supply chain markets. Carrefour, Gefco, Leclerc, Leroy Merlin, Nestlé, Unilever, DHL Exel Supply Chain, Louis Vuitton Sodiaal, Metro, Sara Lee, Kuehne + Nagel, Cdiscount... Over 1500 retailers, global manufacturers and logistic providers selected Generix Group Collaborative Business solutions.

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