

Cegid steps up its growth strategy with new acquisitions

Cegid consolidates its position in the public sector and announces the acquisition of Visa Informatique

Cegid has acquired 100% of the shares of Groupe Visa, a developer and distributor of business management software for local authorities. Following the acquisition of Civitas in September 2008, Cegid is now confirming its position in management solutions for the public sector.

With aggregate pro-forma sales of €20 million in the public sector, Cegid is becoming a key player in this market.

Visa Informatique: a software provider addressing the needs of local authorities

Visa Informatique develops and distributes business software for financial management, human resources and services provided by small and mid-sized local authorities.

Founded in 1980 and located principally in Loudun in the Vienne *département*, Visa Informatique has 85 employees and an installed base of almost 3,000 customers. The company has sales of approximately €6 million, 60% of which is recurring business.

Visa Informatique employees will work in synergy with Cegid with the common purpose of developing the Yourcegid Public Sector product range.

A sea-change in the local authorities market

The local authorities market totals over €200 million* and is growing at an estimated rate of 5% p.a.**

The public sector is undergoing profound changes, both legislative (decentralization and cooperation among municipalities) and structural (pooling of resources and skills, shared services, etc.). To handle this new environment, the sector's information systems will evolve to gain in efficiency, optimize resources and facilitate communication between state administration and the general public.

Moreover, the SaaS mode, where Cegid is growing by more than 20% p.a., will constitute a major opportunity for local authorities that must reduce their budgets and pool resources.

* (software and computer services, excluding hardware and infrastructure software)

**Source: PAC 2009

Cegid and Visa Informatique: strategic and operational synergies

This transaction will enable Cegid to:

- Consolidate its position in the public sector market. With annual sales of more than €20 million, Cegid becomes a key player in the public sector market;
- Extend its current positioning by including the small local authorities segment (less than 5,000 inhabitants);

The full calendar of publication dates and upcoming events can be found at the following address :
<http://www.cegid.com/calendrier-financier>

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- Enrich its product offering with solutions for managing the services provided to local citizens (marital status, military census, elections, water services, etc.);
- Bring its expertise in using information systems in SaaS mode to small local authorities;
- Strengthen Cegid's strategic agreement with Groupama-Gan (leading insurer for local authorities) through the **macollectivite.com** services portal.

Cegid is strengthening its position in contract management software for service companies

Cegid has also acquired 100% of the shares of Axeteam, developer and integrator of Syges, a business management solution for service companies.

By acquiring Axeteam, a company with three employees and sales of €0.4 million, Cegid gains new expertise to accelerate its growth in contract management software for service companies.

Cegid will continue to benefit from the industry expertise of Axeteam's owner-executive Christophe Barry and its employees, who have remained with Cegid in a department dedicated to the services sector. As an integral part of Cegid, they will oversee the rapid growth this sector is likely to see over the next few years.

Cegid is securing its financial resources for future growth and acquisitions by renewing its €200 million syndicated line of credit

Cegid has recently finalized the renewal of its €200 million syndicated line of credit. Coordinated by CIC-Lyonnaise de Banque, BECM, and Société Générale as mandated arrangers, the eight-bank syndicate also includes LCL, BNP Paribas, Banque Rhône-Alpes, Natixis et HSBC France.

This purpose of this line of credit is to finance the Group's general and investment needs, including acquisition financing. The line has an initial term of five years, extendible to seven years.

Renewal of the credit facility reflects the confidence Cegid's banking partners have in the Group's future, while bolstering Cegid's ambitious growth strategy, both in France and abroad.

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