

# Fiscal year 2011

Sales of **€264 million** (up 5.7%)

Fourth quarter sales up 8%

Strong growth in "SaaS" sales (up 25%)



## Increase in revenue from strategic businesses: SaaS (up 25%), SSRS and professional services (up 7.5%)

Consolidated sales	2011 (€ M)	2010 (€ M)	Change, unadjusted scope	Change, constant scope
First quarter	61.4	58.0	5.8%	2.3%
Second quarter	64.6	62.0	4.2%	1.1%
Third quarter	58.9	56.3	4.4%	1.5%
Fourth quarter	79.0	73.3	7.8%	6.5%
<b>FULL YEAR*</b>	<b>263.9</b>	<b>249.6</b>	<b>5.7%</b>	<b>3.1%</b>

\* Effect of changes in the scope of consolidation in 2011: €6.6 million (estimated and unaudited).

Consolidated fourth quarter sales advanced nearly 8% (6.5% at constant scope), buoyed by a very robust month of December, to €79 million (€73.3 million in Q4 2010).

Over all of 2011, consolidated sales totaled €263.9 million, up 5.7% from 2010 (up 3.1% at constant scope). Revenue from recurrent contracts of €131.6 million, up €7.1 million, represented 50% of total sales, a level comparable to that of 2010.

Consolidated sales by type of product/service (in € M)	2011	2010	2011	2010
Licenses	39.0	40.7	15%	16%
SaaS	19.9	16.2	8%	6%
Maintenance	99.8	95.1	38%	38%
Other	6.6	6.8	2%	4%
<b>Total Software and software-related services (SSRS)</b>	<b>165.3</b>	<b>158.8</b>	<b>63%</b>	<b>64%</b>
Professional services	67.1	57.4	25%	23%
<b>Total SSRS and professional services</b>	<b>232.4</b>	<b>216.2</b>	<b>88%</b>	<b>87%</b>
Hardware distribution and other	31.5	33.4	12%	13%
<b>Total</b>	<b>263.9</b>	<b>249.6</b>	<b>100%</b>	<b>100%</b>
of which recurrent	131.6	124.5	50%	50%

Sales of software in SaaS mode posted strong growth (up 25%). These figures confirmed Cegid's position as a major player in "on demand" solutions and its ability to propose new ways of using information systems. In 2011, Cegid experienced a very strong increase in demand for most of its industry-specific solutions in SaaS mode (CPAs, Retail, Services, Trade, Taxation), thereby complementing recurrent revenue from its HR/payroll solutions.

Consequently, as of January 1, 2012, SaaS contract revenue invoiceable before 2017 represented an estimated value of more than €32 million (€21 million as of January 1, 2011), an increase of nearly 53%.

Against this background of strong growth in SaaS solutions, "Licenses" revenue of €39 million was down slightly (4%) from 2010. Over the full year, revenue from the strategic software provider business (software sales and SaaS) rose by 4%.

Revenue from "SSRS and professional services" advanced by more than 7% (4.3% at constant scope), with services up 18%, including growth in the business related to new employee data transmission regulations (N4DS).

Revenue from the non-strategic "hardware distribution and other" business was €31.5 million, or 12% of total sales, down €2 million from 2010.

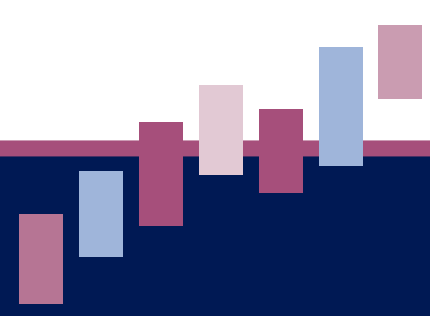
Internationally, Cegid saw continued growth in its non-recurrent contract sales, which advanced 8%, essentially in the Retail sector.

Consolidated sales (€ M), unadjusted scope		Q4	Full year	of which "SSRS and professional services"	of which "Hardware distribution and other"
CPAs, small companies	2011	31.3	101.3	82.7	18.6
	2010	30.7	98.6	79.5	19.0
Mid-market and groups	2011	21.1	72.5	70.6	1.9
	2010	19.6	71.3	68.4	2.9
Vertical markets	2011	19.8	67.3	58.9	8.4
	2010	17.6	61.7	52.7	9.0
Public sector	2011	6.3	20.1	19.7	0.4
	2010	5.1	14.6	14.6	0.0
Miscellaneous	2011	0.5	2.7	0.5	2.2
	2010	0.3	3.4	0.9	2.5
<b>Total</b>	<b>2011</b>	<b>79.0</b>	<b>263.9</b>	<b>232.4</b>	<b>31.5</b>
	<b>2010</b>	<b>73.3</b>	<b>249.6</b>	<b>216.2</b>	<b>33.4</b>

### Financial communication Cegid Group

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ISIN stock code: FRO000124703  
Reuters: CEGI.PA  
Bloomberg: CGD FP  
ICB: 9537 Software  
Indices: Small, Mid and Small, ITCAC and All-Tradable



## Estimated increase in EBITDA and income from ordinary activities

EBITDA for the year is expected to be up compared with 2010 (€60.4 million). Estimated income from ordinary activities, which reflects certain non-cash items (an increase of around €3 million in amortization of development costs and identified assets from business combinations), should also post an increase from 2010 (€27.0 million). The margin on ordinary activities should be in excess of 10% of consolidated sales.

2011 operating income will reflect the negative impact of a non-recurrent provision of around €0.8 million related to a business combination, whereas 2010 operating income reflected revenue from a provision reversal and from negative goodwill totaling €3.3 million. This exceptional decrease plus two other factors will impact 2011 net income (€19.3 million in 2010): net financial expense will be slightly higher as a result of interest rate fluctuations, and corporate income tax will increase as a result of recent requirements affecting companies with sales in excess of €250 million.

## Favorable cash flow trend and a sound financial structure

Cash flow from the business is expected to be healthy, and working capital requirements are expected to have evolved favorably during the year. As a result, net financial debt at December 31, 2011 should come in at around €65 million, down around €3 million from 31 December 2010. As such, Cegid will have generated more than enough cash to finance its capital expenditures, principally R&D and acquisitions (€6.4 million). Consequently, gearing should be in the region of 36% (39% at 12/31/2010).

## New business unit: MTS

Cegid has created a new business unit called Manufacturing, Trade & Services (MTS) so as to build a stronger position as a specialist in these industries and better respond to customer expectations. This business unit will further the development of Cegid's industry-specific solutions in France and abroad.

## Outlook for Cegid: strategy in phase with the market and stronger positioning

The strategy developed by Cegid, which has gathered pace over the past few years, enables it to approach today's very uncertain economic environment with confidence and a desire to win. Cegid is:

- a specialized provider, who is in phase with companies wanting to modernize their IT systems through targeted investments rather than via a complete overhaul and is staffed with experts in each of the industries it addresses;
- positioned as a major player in "SaaS" (on demand) solutions, which are in line with market demand and a source of recurrent revenue for Cegid;
- a company whose sales are judiciously diversified in terms of business sectors and company size and are increasingly international;
- assured of its medium-term financing, with €200 million in four-year confirmed lines of credit (maturity 2015), extendible to six (2017).

These factors, combined with new, innovative mobility solutions and Cegid's expertise in acquiring and integrating companies, should enable the Group to actively pursue its expansion in the years to come.

## Appointment of new Board members

At its meeting of December 20, 2011, the Board of Directors of Cegid Group appointed Valérie Bernis, Executive Vice President in charge of Communications, Financial Communications, Public Affairs and Sales & Marketing at the GDF Suez group, to replace Benoît de Rodellec.

François Peythieu, Director of Marketing and Distribution at the Groupama group, and Astrid Panosyan, General Secretary of the Groupama group, were appointed to replace Thierry Martel and Christian Collin, respectively, who have informed the Board of their desire to devote themselves more to Groupama in light of their new functions.

Full-year 2011 earnings will be published on February 29, 2012 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>

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

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