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Net profit for the first half of 2012: 7% of revenue

Revenue growth: 17%

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Cameleon Software (FR0000074247), market leader in product design, sales configuration, and quotes and proposals software, announced its provisional net income for the first half of 2012, approved by the Board of Directors meeting held today. Please be advised that the audit procedures are in the finalization phases.

(€ Million)	H1 2012	H1 2011
Software revenue	3.90	3.42
Services revenue	1.27	1.01
Revenue	5.17	4.43
Gross margin	5.14	4.40
Employee benefits	(3.55)	(2.88)
Current operating income	0.34	0.14
Restructuration costs	-	(0.55)
Operating income	0.34	(0.41)
Financial result	0.03	0.05
Net income	0.38	(0.36)

(provisional data)

Revenue up 17% in the first half of 2012

Net profit for the first half of 2012: 7% of revenue

At €5.17 million, revenue for the first half of the year is up 17%, compared with the same period last year. This performance is even more impressive than that of the first half of 2011, which already demonstrated Cameleon's dynamic momentum with revenue up 9% compared with the first half of 2010.

In the US, activity was up 37% over the first half of the year.

Net income of €0.38 million in the first half of 2012

Current operating income is positive, reaching €0.34 million over the period, compared with €0.14 million over the same period in 2011. Net income reached €0.38 million over the period, i.e. 7.4% of revenue, against a loss of €0.36 million over the same period in 2011.

Cash flow position at €4.49 million as at June 30, 2012

Cash flow proved positive over the period (up €2.47 million). The cash flow position increased from €2.02 million as at 12/31/2011 to €4.49 million as at 06/30/2012. It was €4.63 million as at 06/30/2011.

Closing balance sheet as at June 30, 2012:

The closing balance sheet was as follows:

Assets in € Million	06/30/2012	06/30/2011
Goodwill	2.80	2.80
Other non-current assets	0.73	0.82
Trade receivables	3.19	2.21
Other current assets	0.59	0.49
Cash and cash equivalents	4.49	4.63
Total Assests	11.79	10.95
Liabilities in € Million	06/30/2012	06/30/2011
Shareholders' equity	4.77	5.29
Long-term financial debt	0.81	0.01
Short-term financial debt	0.16	0.41
Trade payables	0.93	0.83
Other liabilities	2.58	2.52
Deferred income	2.53	1.90
Total Liabilities	11.79	10.95

(provisional data)

Outlook: 28% growth in the order backlog

The order backlog (perpetual licensing and SaaS business, excluding maintenance) remained very healthy at €5.54 million as at June 30, 2012, up 28% compared with June 30, 2011 at €4.31 million.

At the same time, annual recurring maintenance revenue should represent approximately €3.5 million for the 2012 fiscal year.

Net profit for the first half of 2012: 7% of revenue

Jacques Soumeillan, President and CEO of Cameleon Software, concluded: *"The profitable growth during the first half of this year is the result of the efforts made by Cameleon Software since first implementing its transformation plan 5 years ago. Based on technological innovation, the supply of On-Premise licensed or SaaS software solutions, and a strong presence in terms of sales, support, and consulting in Europe and the US, the plan aims to strengthen the Group's leadership on the CPQ (Configure Price Quote) market for large and medium sized companies. With revenue up 17% and net income representing over 7% of revenue, the start to 2012, characterized by a difficult macro-economic climate, is highly encouraging. Several new European and American prestigious companies, particularly in the world of insurance and high-tech, have placed their trust in us over this period. Moreover, the growing popularity of SaaS, the increasing deployment of On-Premise licenses at our customers, and the large proportion of maintenance revenue all represent guarantees of visibility for Cameleon Software's activity in the coming fiscal years. Cameleon Software has what it takes to pursue its ambitious development policy because it has a solid financial structure, has achieved net profitability right from the first half of the year, and uses a virtuous business model that generates recurring income. Strengthening of the unique technological components that set the Cameleon Software Suite apart from all others will continue to benefit customers, especially in response to a rapidly growing CPQ world market."*

For reference:

- On-Premise licenses: perpetual user license for the software installed on the customer's premises with a maintenance contract.
- SaaS: rental of the software via the web on a platform managed by Cameleon.

This press release may contain declarations relating to a future outlook based on estimates and assumptions made by the Board of Directors, as well as the information in its possession. These include risks, uncertainties and assumptions that may differ substantially from the company's actual profits and losses. Readers of this press release should not treat declarations relating to a future outlook as definitive.

About Cameleon Software

Cameleon Software is the global leader in multichannel, multi-device product configurator, quotes, proposals and eCommerce software. Cameleon solutions empower customers' sales teams to streamline their quote-to-order process and increase sales across all channels, and marketing teams to define and launch new products faster. Cameleon's solutions integrate to leading CRM and ERP systems including Salesforce, SAP, Oracle and Microsoft and are available as both SaaS or On Premises. Rated as Positive in the Gartner Group Marketscope, Cameleon Software is a public company with strong references in industries such as insurance and financial services, telecom, hitech and manufacturing, including ADT/Tyco, Clear Channel, Gras Savoye, SFR.

For more information : www.cameleon-software.com and www.salesforce.com/appexchange



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