FIRST HALF 2013
MANAGEMENT REPORT

Cegid Group

Contents first half 2013 management report

First half management report

1. Sales and results in the first half of 2013

CONSOLIDATED SALES

Consolidated sales, unadjusted scope*	H1 2013	H1 2012	Change	
	€M	€M	€M	%
SaaS	18.1	12.2	5.9	+47.9%
Licenses	**15.9**	**14.5**	**1.4**	**+9.7%**
Maintenance	50.5	50.5	NS	NS
Other	2.2	2.2	NS	NS
Total Software and software-related services (SSRS)	**86.7**	**79.4**	**7.3**	**+9.1%**
Professional services	28.8	30.2	-1.3	-4.6%
Total SSRS and professional services	115.5	109.6	5.9	+5.4%
Hardware distribution and other	13.2	15.7	-2.5	-15.5%
TOTAL	**128.7**	**125.3**	**3.4**	**+2.8%**
of which recurrent	73.5	68.2	5.3	+7.8%

* Changes in scope: Cegid Portugal and TDA International (€1.1M)

First half 2013 consolidated sales amounted to €128.7 million, up 2.8% from H1 2012 (€125.3 million), unadjusted for changes in scope, and up nearly 2% at constant scope.

Second quarter sales of €63.7 million (up 5.4% unadjusted and 4.5% at constant scope), saw a further increase in software and software-related services (SSRS) after the rise already observed in Q1. SSRS revenue rose (11.6% in Q2 and 9.1% over all of H1), and continued to be driven by very strong growth in SaaS revenue (up 46.6% in Q2 and 47.9% over all of H1).

As of June 30, 2013, future contract revenues from SaaS & portals—i.e. the revenues remaining to be recognized before 2018—represented an estimated value of more than €54 million. This total was up 46% from June 30, 2012 (€37.1 million) and included more than €13 million from new contracts, at the same time that revenue recognized in H1 2013 posted strong growth.

This rapid growth in SaaS sales is validating Cegid's strategy of offering industry-specific solutions in SaaS mode. These solutions address corporate needs and enable companies to combine user performance with IT investment moderation.

License revenue also posted robust growth (up 23.4% in Q2 and 9.7% over all of H1), boosted by invoicing on large contracts, in particular in the Retail sector. This contrasted with H1 2012, which included a lackluster second quarter, in particular in June 2012.

SSRS revenue totaled €86.7 million in H1 2013 (up 9.1% over H1 2012). This amount included software maintenance activities, which were stable in the context of strong growth in SaaS solutions.

H1 2013 revenue from professional services of €28.8 million declined 4.6%, in line with Cegid's strategy to transfer part of its software deployment services to outside partners.

Revenue from hardware distribution and other services totaled €13.2 million and represented 10% of total H1 2013 sales, down two percentage points from H1 2012. This trend is in line with the shift in Cegid's activities toward higher value-added businesses.

Revenue from recurrent contracts of €73.5 million was up 7.8% compared with H1 2012 and represented 57% of total H1 sales (54% of H1 2012 sales).

Internationally, Cegid saw continued expansion with sales rising 26%, essentially in the Retail sector.

CONSOLIDATED SALES BY BUSINESS SECTOR

Figures in €M at unadjusted scope*		H1	of which "SSRS and professional services"	of which "Hardware distribution and other"
CPAs, small companies	2013	48.0	41.1	6.9
	2012	47.8	39.1	8.7
Vertical markets	2013	38.0	33.7	4.3
	2012	35.9	30.9	5.1
Middle market and groups	2013	33.3	32.4	0.9
	2012	32.5	31.8	0.7
Public sector	2013	8.2	8.2	0.0
	2012	7.5	7.5	0.0
Miscellaneous	2013	1.2	0.1	1.1
	2012	1.5	0.3	1.2
Total	**2013**	**128.7**	**115.5**	**13.2**
	2012	**125.3**	**109.6**	**15.7**

* The changes in the scope of consolidation reflect changes in the operational organization, principally the impact in H1 2013 of TDA International, consolidated since August 1, 2013.

CONSOLIDATED RESULTS

In €M	H1 2013	H1 2012	Change in %
Sales	128.7	125.3	+2.8%
Gross profit	113.8	108.1	+5.3%
EBITDA	33.3	25.7	+29.3%
Income from ordinary activities	**12.6**	**6.0**	**+111.1%**
Operating income	12.4	6.0	+107.7%
Net financial expense	-0.8	-1.5	+44.6%
Pre-tax income	11.6	4.5	+157.0%
Income tax	-4.1	-1.7	+144.6%
Net income (Group share)	7.3	2.5	+188.1%
Net cash from operating activities	**28.7**	**19.7**	**+45.5%**

Gross profit amounted to €113.8 million, and gross margin stood at 88.4% of sales, widening by more than two points compared with the year-earlier period (86.3%). This margin, together with a tight grip on operating expenses, led to a significant, €0.6 million reduction in the average monthly breakeven point to €19.1 million in H1 2013 (€19.7 million in H1 2012).

After taking into account amortization of capitalized development costs, depreciation of assets identified during business combinations (up €1.2 million compared with H1 2012), strategic international investments (Brazil, United Arab Emirates and Russia) and IT system and new customer portal investments, income from ordinary activities totaled €12.6 million in H1 2013 (€6.0 million in H1 2012).

Net financial expense was €0.8 million (€1.5 million in H1 2012), as lower debt than in H1 2012 generated lower interest expense, while interest rates remained at historic lows.

Corporate income tax expense amounted to €4.1 million (€1.7 million in H1 2012), and the share of income from equity-accounted companies totaled €-0.1 million (€-0.3 million in H1 2012). As a result, consolidated net income for H1 2013 totaled €7.3 million (€2.5 million in H1 2012).

Lastly, Cegid reiterates that it signed an agreement at the end of December 2012 to sell its stake in Informatique & Communications (I&C) to the latter's minority shareholders. The sale was realized in January 2013, and the assets and liabilities had been reclassified as "held for sale" as of December 31, 2012, in accordance with IFRS 5. I&C provides software for the wine-making industry and posted sales of €0.1 million in 2012.

STRONG GROWTH IN NET CASH FROM OPERATING ACTIVITIES

Net cash from operating activities: €28.7 million (€19.7 million in H1 2012). Net debt declined significantly to €66.5 million at June 30, 2013 from €74 million a year earlier, reducing gearing, the ratio of net debt to consolidated shareholders' equity (€180.1 million), to 36.9% (42.8% at June 30, 2012 and 37.8% at December 31, 2012).

As of July 1, 2013, Cegid had a syndicated line of credit totaling €200 million, of which €132 million was available as of June 30, 2013. This line will reduce to €170 million on July 1, 2014, to €140 million on July 1, 2015 and to €100 million on July 1, 2016. In an agreement signed on June 24, 2013, the banks extended the final maturity to June 30, 2017. This line provides Cegid with a significant drawdown capacity for future years, which it can use to finance its investment needs, in particular acquisitions.

CEGID GROUP FINANCIAL STATEMENTS

Cegid Group is a holding company. Its revenues, composed essentially of royalties received from subsidiaries, totaled €2.4 million. Its operating income was at breakeven and its net income was €2.7 million, including the dividend paid by the subsidiary Cegid SA (€3.7 million).

2. Highlights of the first half of 2013: development of strategic and innovative "MOBICLO™" activities: SaaS, mobility and business intelligence

MOBICLO™ SOLUTIONS ARE CEGID'S RESPONSE TO THE NEEDS OF SMEs, LARGE ACCOUNTS AND LOCAL & GOVERNMENTAL AUTHORITIES

MOBICLO

During the first half of 2013, Cegid continued to pursue its MOBICLO™ (MObility-BI-CLOud) strategy with respect to its Yourcegid Finance, Yourcegid Manufacturing, Yourcegid Human Resources and Yourcegid Public Sector ranges. These innovative solutions meet the specific needs of users in the finance, manufacturing and human resources areas of both private enterprises and local/governmental authorities.

Yourcegid Finance

The new Yourcegid Finance Intelligence provides finance departments with customized and interactive financial indicators. Intuitive, pre-configured and user-friendly, it identifies new opportunities and improves the performance of their companies.

Yourcegid Manufacturing

The Yourcegid Manufacturing solutions dedicated to manufacturing companies are now available in SaaS mode and include a management module, Yourcegid Manufacturing Intelligence, which makes decision-support tools available to all mid-sized companies.

Yourcegid Human Resources

The Human Resources range has a SaaS-mode, talent management solution, Yourcegid Talent, intended for both private-sector companies and local authorities. Yourcegid Talent is a SaaS-based human resources assessment and management tool addressing the needs of both public and private entities.

Yourcegid HR Pack On Demand

Cegid now offers a SaaS-based HR/payroll management solution for companies with less than 500 employees, a first in France on this market segment.

Yourcegid HR Pack On Demand, a complete and particularly innovative HR/payroll application, accommodates the new ways SMEs use HR/payroll software, at the crossroads between mobility, BI and the cloud (MOBICLO™). Yourcegid HR Pack On Demand handles employees on the move, remote company management, paperless payslips, etc.

This solution also responds to the growing challenges of competitiveness, cost reduction and human resources management. This last item—especially the payroll aspect, where legislation is constantly changing—is crucial to the economic life of an SME.

Yourcegid Public Sector

The public sector is stepping up implementation of SaaS solutions. Cegid Public's solutions are now available in SaaS mode, responding to the increasing need of organizations to rethink their information systems and make them easier for agents to integrate and use. They must foster e-administration, interdepartmental contact, paperless processes, mobile software use and employee evaluation. And more generally, they must respond to the need for rigor and efficiency as defined in the reform of local authorities and public institutions undertaken by the French government.

The SaaS solutions, Yourcegid Public Sector Channel On Demand and Yourcegid Public Sector Human Resources On Demand, are modular by design, so that public sector organizations can use them as stand-alone solutions or in combination with one another.

DOCUMENT AUTOMATION

Cegid Public – SEPA

The Finance solutions for local authorities now include modules that make the administrative and accounting chains paperless (invoice processing, signature book and online payment transmission). In this way, Cegid Public took the initiative—right from the first half of 2013—to respond to the new "SEP v2" standard exchange protocol that will apply in January 2015. The electronic signature management system, a key component of the transition, was implemented in cooperation with two partners, CDC Fast and Adullact.

INTERNATIONAL EXPANSION

Cegid continued its efforts to expand its international presence. It created Cegid Brazil, and its consultants are now on location in the United Arab Emirates. In addition, work continued on creating a sales & marketing and services structure in Russia.

Moreover, Cegid's strategy was acclaimed at the 2013 Retail Innovation Awards held at the end of June in Hong Kong and organized by the magazines Retail Asia and Retail Tech Innovation (Questex Asia group) as part of the Retail Innovation & Management Forum. In competition with Microsoft, Micros and Epicor, Yourcegid Retail CBR was selected by Retail professionals and experts, because it demonstrated: (i) industry expertise and successful development in Asia and Oceania (more than 1,000 stores in China, Hong Kong, Australia, Japan, Korea and Thailand), (ii) ability to integrate each country's specificities (language, taxes, industry processes, etc.), (iii) performance in executive decision-support, (iv) international expertise and (v) the most recent technological developments and best practices (CRM/VIP, omnichannel, mobility).

CEGID IS CLOSER TO CUSTOMERS

CegidLife

Through CegidLife, Cegid offers a customer-centric approach that combines performance with the customer relationship, so as to support companies in the use of Cegid solutions. The objective of CegidLife is to add value to all points of contact between Cegid and its customers (sales & marketing, training, user clubs, relationship with sales administration).

CegidLife is every customer's solution and every customer can personalize it, customizing availability, filtering information right from the home page, using registration preferences, performing online filing, consulting FAQs, making online support requests and accessing software and hardware.

Useful information (versions calendar, user testimonials, etc.) round out the wealth of information provided by CegidLife.

3. Corporate social responsibility

CREATION OF CEGID FOUNDATION

Sensitive to trends in its ecosystem, Cegid has decided to create a Cegid Foundation, which is set to be operational before the end of 2013. The Foundation will combine all of Cegid's initiatives in the following four areas: education, integration (Job dans la ville, Sport dans la ville, etc.), healthcare (Léon Bérard Center, Petit Monde, Hôpital Mère-Enfant) and digital entrepreneurship.

In particular, the Foundation will use its funding to help finance and support technology start-ups in the Rhône-Alpes region and in the regional ecosystem. Cegid employees will be able to get involved and support these start-ups. In this way, Cegid also hopes to develop innovative, entrepreneurial ideas within the Group. Through this initiative Cegid will bring to bear the following corporate values:

- entrepreneurial, team spirit,
- customer-centric, technological innovation that integrates the new ways people use software,
- regional origins,
- a human resources department that embraces change and is a source of progress.

CEGID EDUCATION

In June 2013, Cegid launched the "Cegid Education Summer University", the first major Cegid Education event for teachers of business and management.

For the past eight years, Cegid has offered training courses on its software to teachers in technical fields. These seminars are organized in partnership with the French Ministry of Education and the CERPET (Centre d'Etudes et de Recherches des Professeurs de l'Enseignement Technique), a public-private training center for professors in technical fields. They are intended to foster the development of digital technologies in the academic world, a determining factor in student employability. These summer universities now partner with APDCG (Association des Professeurs des Diplômes de Comptabilité et de Gestion), which brings together teachers of accounting and related topics and supports all initiatives related to teaching and education leading to degrees in accounting.

Cegid supports programs that seek to modernize teaching methods, undertaken as part of the reform of the French educational system. Several ministerial decrees in favor of integrating technology have recently been adopted, a tangible result of these initiatives.

4. Risk factors

Risk factors did not change during the course of the first half of 2013. These factors are described on pages 83-87 of the 2012 Registration Document.

Integration of all activities related to the public sector (Civitas and Visa) in 2012 into Cegid Public, created in May 2011, is being finalized. Non-recurring expenses recognized in 2012 gave rise to reversals of €0.3 million in H1 2013.

5. Transactions with related parties

During the first half of 2013, no significant transaction was carried out with an executive or with a shareholder who has significant influence over the Group.

6. Approval of parent company and consolidated financial statements

Cegid's parent company and consolidated financial statements for the first half of 2013 were approved by the Board of Directors on July 17, 2013.

7. Outlook

The innovation strategy Cegid has developed over the past few years—high value-added investments and more recurrent, SaaS-driven SSRS revenue—has enabled it to better adapt to a difficult economic environment so that it can reap the benefits when the economy improves thanks to its:

- status as a major provider in the fast-growing SaaS/On Demand market. The future revenue that Cegid's contracts will generate in this area has grown significantly (€54 million as of June 30, 2013), thereby strengthening the recurrent nature of sales;
- increasing presence in cloud computing through strategic partnerships such as with IBM France (Cegid private cloud);
- innovation to accommodate new trends in software use through the "MOBICLO™" approach, bringing together Mobility, Business Intelligence (with Yourcegid Intelligence, in partnership with QlikTech's QlikView solution) and the Cloud;
- installed base of more than 100,000 customers, including 32,000 small internet-connected companies, giving Cegid high recurrent revenue (57% of H1 2013 sales);
- approach based on specialization by industry (CPAs, nonprofits, entrepreneurs, manufacturing, trade & services, retail, hospitality, public sector) and function (finance, taxation, performance management, human resources). As a result, Cegid's sales are highly diversified among these areas of expertise and depending on the business, over companies of all sizes (SMEs, large companies and corporate groups);
- international expansion in Retail that is gradually being extended to high-potential countries (Brazil, United Arab Emirates, Russia) and to Manufacturing;
- progressive implementation of action plans designed to support the transformation process based on sharing skills and rationalizing product and service ranges, together with Cegid Public's return to profitability, the effects of which were already visible in H1 2013.

With more recurrent business and a lower average monthly breakeven point, H1 2013 provided confirmation of Cegid's strategy, leading to a very favorable trend in earnings (doubling of income from ordinary activities). While this trend cannot be extrapolated over the full year, it should ensure an increase in income from ordinary activities over all of 2013 compared with 2012.

8. Events since July 1, 2013

Since July 1, 2013, no events have taken place that might have a significant impact on Cegid's assets, liabilities or financial condition.

Nevertheless, as part of its strategy to optimize the range of its proposed solutions, Cegid has undertaken two initiatives. Firstly, it signed an agreement with its long-standing partner VDoc Software (Visiativ group) on July 1, 2013 to sell the Isoflex business (EDM-Workflow and CAD-PDM bridge; 2012 sales of €0.5 million). Secondly, it has undertaken steps to contribute assets to a company being formed by the principal manager of the nonprofits business (Atalante brand; 2012 sales of €0.4 million). These two businesses, recognized in other operating income in the first half of 2013, did not have a significant impact on the financial statements.

(In €000)	Notes	First half 2013	% of sales	First half 2012	% of sales	2012	% of sales
Sales	6.1	128,715	100.0%	125,265	100.0%	258,107	100.0%
Goods & services purchased and change in inventories		-14,928	11.6%	-17,174	13.7%	-35,138	13.6%
Gross profit		113,787	88.4%	108,091	86.3%	222,969	86.4%
Capitalized expenditures		16,235	12.6%	16,692	13.3%	32,765	12.7%
External expenses		-22,950	17.8%	-24,536	19.6%	-46,480	18.0%
Value-added		107,072	83.2%	100,247	80.0%	209,254	81.1%
Taxes other than income taxes		-3,777	2.9%	-3,810	3.0%	-7,146	2.8%
Personnel costs		-70,021	54.4%	-70,710	56.4%	-140,706	54.5%
EBITDA		33,274	25.9%	25,727	20.5%	61,402	23.8%
Other ordinary income		763	0.6%	226	0.2%	1,899	0.7%
Other ordinary expenses		-911	0.7%	-663	0.5%	-2,397	0.9%
Depreciation, amortization and provisions		-20,539	16.0%	-19,327	15.4%	-38,174	14.8%
Income from ordinary activities		**12,587**	**9.8%**	**5,963**	**4.8%**	**22,730**	**8.8%**
Other operating income		508	0.4%	2,057	1.6%	2,407	0.9%
Other operating expense		-712	0.6%	-2,057	1.6%	-2,380	0.9%
Operating income	6.2	12,383	9.6%	5,963	4.8%	22,757	8.8%
Financial income		128	0.1%	160	0.1%	252	0.1%
Financial expense		-936	0.7%	-1,619	1.3%	-2,330	0.9%
Net financial expense	6.3	-808	-0.6%	-1,459	-1.2%	-2,077	-0.8%
Pre-tax income		11,575	9.0%	4,504	3.6%	20,679	8.0%
Income tax	6.4	-4,137	3.2%	-1,691	1.3%	-6,858	2.7%
Share in net income of equity-accounted subsidiaries		-103		-267		-1,214	
Net income		**7,335**	**5.7%**	**2,546**	**2.0%**	**12,607**	**4.9%**
Net income attributable to parent company shareholders		**7,335**	**5.7%**	**2,548**	**2.0%**	**12,607**	**4.9%**
Net income attributable to non-controlling interests				-2			
Average nbr. of shares (excl. treasury shares)		8,734,343		8,808,917		8,802,393	
Earnings per share attributable to parent company shareholders		**€0.84**		**€0.29**		**€1.43**	

Statement of comprehensive income (in €000)	First half 2013	First half 2012	2012
Exchange differences	-142	-14	-49
Securities measured at fair value	-26		
Hedging instruments measured at fair value	358		-694
Tax effect on financial instruments, exchange differences	-123		239
Items recyclable into net income (sub-total)	67	-14	-504
Actuarial gains and losses	206	-1,532	-1,863
Effect of taxes	-71	527	572
Items non-recyclable into net income (sub-total)	135	-1,005	-1,291
Total net income recognized during the period	**7,537**	**1,527**	**10,812**
Portion attributable to non-controlling interests		-2	
Portion attributable to parent company shareholders	7,537	1,529	10,812

Balance sheet - Assets

Net amounts (in €000)	Notes	6/30/2013	12/31/2012	6/30/2012
Goodwill	5.1.1 & 5.1.2	195,165	196,932	193,128
Intangible assets	5.1.3	79,755	78,992	75,119
Property, plant & equipment	5.1.4	4,101	3,309	6,313
Non-current financial assets	5.3	2,403	2,533	2,341
Equity-accounted subsidiaries	5.1.6			497
Other receivables	5.2.1	2,771	2,702	2,788
Deferred tax	5.4	2,146	2,196	2,146
Non-current assets	**5.1**	**286,341**	**286,664**	**282,332**
Inventories and work-in-progress	5.2.1	602	674	966
Trade receivables and similar accounts	5.2.1 & 5.3	64,382	62,532	63,096
Other receivables and prepaid items	5.3			
Personnel		535	803	821
Sales tax receivable		3,208	857	3,179
Income tax receivable		2,577	5,794	2,621
Other receivables		1,977	1,972	2,221
Prepaid expenses		4,627	3,618	4,792
Cash and cash equivalents	5.2.2	2,182	3,062	1,726
Current assets		**80,090**	**79,311**	**79,422**
Assets held for sale			320	
TOTAL ASSETS		**366,431**	**366,295**	**361,754**

Net amounts (in €000)	Notes	6/30/2013	12/31/2012	6/30/2012
Share capital		8,771	8,771	8,771
Share premium		95,241	95,241	95,241
Reserves		68,730	64,819	66,591
Net income for the period		7,335	12,607	2,548
Shareholders' equity attributable to parent company shareholders		180,077	181,438	173,151
Non-controlling interests/reserves		1	14	13
Non-controlling interests		1	14	13
Total shareholders' equity	**5.5**	**180,078**	**181,452**	**173,164**
Financial liabilities (portion > 1 year)	5.7	67,843	69,224	74,938
Acquisition-related debt (portion > 1 year)		240	1,373	4,049
Deferred tax	5.4	6,689	5,482	4,914
Provisions for pension obligations and employee benefits	5.6	13,343	13,103	12,382
Other provisions (portion > 1 year)	5.1.6	556	454	
Non-current liabilities		**88,671**	**89,636**	**96,283**
Provisions for other liabilities (portion < 1 year)	5.6	6,424	5,717	4,424
Financial liabilities (portion < 1 year)	5.7	828	2,503	827
Trade accounts payable & similar accounts	5.3	20,752	20,984	21,659
Tax and social security liabilities	5.3			
Personnel		34,695	37,018	35,139
Other taxes and employee-related liabilities		1,604	1,744	1,649
Sales tax payable		4,773	3,381	4,925
Income tax payable		274	2,765	166
Other liabilities				
Acquisition-related debt (portion < 1 year)	5.3	3,747	2,954	250
Payables related to acquired non-current assets (portion < 1 year)	5.3	850	1,199	1,186
Other liabilities and unearned revenue				
Other current liabilities	5.3	5,322	5,767	5,324
Unearned revenue		18,413	10,640	16,758
Current liabilities		**97,682**	**94,672**	**92,307**
Liabilities held for sale			535	
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY		**366,431**	**366,295**	**361,754**

Cash flow statement

(In €000)	First half 2013	First half 2012	2012
Net income	7,335	2,546	12,607
Share in net income of equity-accounted subsidiaries	103	267	1,214
Depreciation, amortization & provisions and elimination of non-cash revenue and expense items	19,526	16,968	35,557
Capital gains and losses on disposal of non-current assets	99	29	37
Interest expense	580	615	1,216
Tax expense	4,137	1,691	6,858
Cash flow generated by the business	31,780	22,116	57,489
Interest paid	-527	-534	-1,083
Tax paid	-2,888	-5,187	-8,635
Cash flow after interest and tax paid	28,365	16,395	47,771
Change in inventories	73	85	377
Change in accounts receivable	6,062	15,458	9,149
Change in other receivables	-2,056	-143	2,433
Change in trade payables	-1,254	-3,547	-3,219
Change in other payables	-2,498	-8,527	-8,629
Change in working capital requirement	327	3,326	111
Net cash from operating activities	28,692	19,721	47,882
Acquisition of intangible assets	-16,854	-18,394	-35,760
Acquisition of property, plant & equipment	-679	-1,014	-1,763
Acquisition of non-current financial assets	-84	-311	-518
Acquisition of companies net of acquired cash	-235	-579	-4,320
Disposal or decrease in non-current assets	131	8	659
Net cash from investing activities	-17,721	-20,290	-41,702
Acquisition of treasury shares			-1,090
Dividends paid to parent company shareholders	-9,175	-9,252	-9,252
Drawdowns under medium-term lines of credit	68,000	75,000	69,000
Repayment of medium-term lines of credit	-69,000	-64,000	-64,000
Change in other financial debt	50	44	38
Net cash from financing activities	-10,125	1,792	-5,304
Opening cash and cash equivalents	1,012	136	136
Change in cash and cash equivalents	**846**	**1,223**	**876**
Closing cash and cash equivalents	**1,858**	**1,359**	**1,012**

(In €000)	6/30/2013	6/30/2012	12/31/2012
Marketable securities		215	
Cash	2,182	1,511	3,061
Bank overdrafts	-324	-367	-2,049
Closing cash and cash equivalents	**1,858**	**1,359**	**1,012**

(In €000)	Shareholders' equity attributable to								Total shareholders' equity
	parent company shareholders							non-controlling interests	
	Share capital	Share premium	Other shareholders' equity	Reserves and retained earnings	Treasury shares	Income or loss recognized directly in equity	Total attributable to parent company shareholders		
Shareholders' equity at 12/31/2011	**8,771**	**95,241**		**86,482**	**-7,549**	**-2,075**	**180,870**	**14**	**180,884**
First half 2012 net income				2,548			2,548	-2	2,547
Shares held in treasury				-4	69		65		65
Exchange differences				-62		-14	-76		-76
Actuarial gains and losses						-1,004	-1,004		-1,004
Dividends paid by the Company				-9,252			-9,252		-9,252
Changes in scope									
Shareholders' equity at 6/30/2012	**8,771**	**95,241**		**79,712**	**-7,480**	**-3,093**	**173,151**	**13**	**173,164**
Second half 2012 net income				10,059			10,059	2	10,061
Shares held in treasury				-2	-1,061		-1,063		-1,063
Exchange differences				118		-35	84		84
Actuarial gains and losses						-287	-287		-287
Hedging instruments measured at fair value						-455	-455		-455
Allotment of bonus shares				-51			-51		-51
Shareholders' equity at 12/31/2012	**8,771**	**95,241**		**89,836**	**-8,541**	**-3,870**	**181,438**	**14**	**181,453**
First half 2013 net income				7,335			7,335		7,335
Shares held in treasury				14	-26		-12		-12
Exchange differences				-75		-67	-142		-142
Actuarial gains and losses						138	138		138
Hedging instruments measured at fair value						206	206		206
Allotment of bonus shares				290			290		290
Dividends paid by the Company				-9,175			-9,175		-9,175
Changes in scope								-13	-13
Shareholders' equity at 6/30/2013	**8,771**	**95,241**		**88,225**	**-8,567**	**-3,593**	**180,077**	**1**	**180,079**

All of the information provided herein is expressed in thousands of euros (€000) unless otherwise indicated.

The accompanying notes are an integral part of the first half 2013 consolidated financial statements. These condensed consolidated financial statements were approved by the Board of Directors on July 17, 2013.

1. Significant events in H1 2013

As a result of the agreements signed in December 2012, Cegid SA sold its stake in Informatique et Communications in January 2013.

The Group continued to expand internationally, and created in May 2013 Cegid Licenciamento De Software, a wholly-owned subsidiary of Cegid SA in Brazil.

2. Compliance statement

The condensed consolidated financial statements for the first half of 2013 have been prepared in accordance with IAS 34 "Interim financial reporting".

Cegid's condensed consolidated financial statements have been prepared in accordance with IFRS (standards and interpretations) applicable in the European Union as of June 30, 2013.

This information and the detailed notes hereafter were prepared on the basis of the new standards and interpretations in force on June 30, 2013 and applicable to fiscal years beginning on January 1, 2013 or later, specifically:

- Amendments to IAS 1 "Presentation of items of other comprehensive income", The statement of comprehensive income was modified accordingly,
- Amendments to IFRS 7, "Financial instruments: Disclosures – Offsetting financial assets and financial liabilities",
- IFRS 13 "Fair value measurement"

Cegid opted against early application of other standards, amendments and IFRIC interpretations whose application was not mandatory as of June 30, 2013. For the moment, the Group is not affected by these texts or does not expect there to be a significant impact on its financial statements in the coming years:

Standards applicable to consolidation methods:

- IFRS 10 "Consolidated financial statements",
- IFRS 11 "Joint Arrangements",
- IFRS 12 "Disclosure of interests in other entities",
- Revised version of IAS 27 "Separate financial statements",
- Revised version of IAS 28 "Investments in associates and joint ventures".

Other standards:

- Amendments to IAS 32 "Offsetting financial assets and financial liabilities".

3. Accounting principles and methods

3.1 PRESENTATION OF THE FINANCIAL STATEMENTS

The condensed consolidated financial statements should be read in conjunction with the consolidated financial statements of the fiscal year ended December 31, 2012.

The financial statements are presented in thousands of euros.

Cegid has applied the disclosure and presentation rules defined in IAS 34 "Interim financial reporting". The first-half financial statements are presented in condensed form. As such, only certain notes to the financial statements are shown.

The accounting principles and methods applied are identical to those applied to the financial statements for the fiscal year ended December 31, 2012.

The full set of accounting principles is detailed in the consolidated financial statements for the year ended December 31, 2012 and integrated into the 2012 Reference Document filed with the AMF on April 25, 2013 under the number D.13-0424.

Specific principles applicable to first half financial statements are presented below.

3.2 VALUATION BASIS

The consolidated financial statements are prepared in accordance with the historical cost principle except for:

- available-for-sale securities, measured at fair value,
- non-current receivables and liabilities, measured at fair value,
- financial liabilities, valued according to the principle of amortized cost.

3.3 USE OF ESTIMATES

Preparation of financial statements that comply with the conceptual IFRS framework requires that certain estimates and assumptions be made that affect the amounts reported in these statements.

The principal items involving the use of estimates and assumptions are impairment tests on intangible assets, deferred taxes, provisions, in particular provisions for pension obligations, and liabilities related to earn-outs paid in the context of acquisitions (earn-out clauses). These estimates are based on the best information available to management as of the date the statements were approved. The current economic and financial environment makes it harder to value and estimate certain assets and liabilities and increases uncertainty about business trends. Management's estimates are based on the information available at the end of the fiscal year. Should actual events diverge from the estimates and assumptions used, there could be an impact on the amounts recognized in the financial statements.

3.4 BUSINESS COMBINATIONS – GOODWILL

The accounting method applied for the recognition of business combinations is detailed in Note 2.1.1 to the 2012 consolidated financial statements.

Goodwill on the balance sheet as of June 30, 2013 is determined and measured in accordance with Note 2.1.2 to the 2012 consolidated financial statements.

Earn-outs related to business combinations are measured at their fair value as of the date of the acquisition. After the acquisition date, they are measured at their fair value as of each closing date. After the end of a one-year period beginning on the acquisition date, any change in this fair value is recognized in the income statement if these earn-outs are financial liabilities. For business combinations prior to December 31, 2009, changes to earn-outs are recognized in goodwill.

The amount of goodwill is finalized within one year of the acquisition date.

3.5 DEPRECIATION AND AMORTIZATION OF NON-CURRENT ASSETS

Depreciation and amortization are calculated on the basis of the assets held by Cegid as of June 30, 2013 according to the methods detailed in Note 2.2 to the 2012 consolidated financial statements.

3.6 IMPAIRMENT TESTS

An impairment test is performed, if necessary, as described in Note 2.3 to the 2012 consolidated financial statements if there is an indication of a loss in value at the end of the first half of the year.

3.7 PENSION OBLIGATIONS

The discount rate used in the calculation of pension commitments as of June 30, 2013 was 3%, unchanged from December 31, 2012.

The Group opted, as of December 31, 2012, for early application of amended IAS 19 "Employee Benefits". The amendment includes several changes to the accounting for post-employment benefits, including recognition on the consolidated balance sheet of all post-employment benefits granted to the Group's employees.

The assumptions used will be modified in the event the collective bargaining agreements are changed. No new benefits were added, nor was the plan changed in any way during the first half of the year as a result of laws, agreements or contracts.

The components of the calculation of pension obligations as of June 30, 2013 are shown in Note 5.6.

3.8 PROVISIONS

Provisions for contingencies and losses were recognized in full as of June 30, 2013 if the event giving rise to it met the conditions specified in Note 2.15 to the 2012 consolidated financial statements.

3.9 FINANCIAL INSTRUMENTS

Financial instruments consolidated on June 30, 2013, were recognized in accordance with the rules detailed in Note 2.13 to the 2012 consolidated financial statements.

3.10 INCOME TAX

Current tax

Tax expense for the first half of the year is based on an estimated tax rate applied to the companies' pre-tax income and calculated on an annual basis. This estimate takes into account the use of tax-loss carryforwards. The calculation also takes into account the tax rates applicable to the various categories of income (normal rate, reduced rate, etc.).

Deferred taxes

Cegid applied the criteria for capitalizing deferred taxes to tax-loss carryforwards as of June 30, 2013, in accordance with Note 2.6 to the 2012 consolidated financial statements.

4. Scope of consolidation

Company	Head office Siren code	Business	Months consolidated	% control 6/30/2013	% ownership 6/30/2013	% ownership 6/30/2012	
Cegid Group SA	Lyon 327888111	Holding company	6				
Companies held by Cegid Group							
Cegid SA	Lyon 410218010	Software development	6	100.00	100.00	100.00	Full
Quadratus SA	Aix-en-Provence 382251684	Software development	6	100.00	100.00	100.00	Full
Cegid Public SA	Cergy 384626578	Software development	6	100.00	100.00	100.00	Full
Cegid Services SARL	Lyon 341097616	Holding company	6	99.89	99.89	99.89	Full
21S Ingénierie SA	Lyon 422993428	Software development	6	99.99	99.99	99.35	Full
Companies held by Cegid SA							
ASPX SARL	Lyon 430048462	Software development	6	100.00	100.00	100.00	Full
Cegid Academy SARL	Lyon 752639955	Training	6	100.00	100.00	100.00	Full
TDA International SAS	Lyon 342136041	Software development	6	100.00	100.00	100.00	Full
Informatique et Communications SARL (2)	Beaune 383837994	Software development	0	0.00	0.00	51.00	Full
Cegid Corporation	USA New York	Software distribution	6	100.00	100.00	100.00	Full
Cegid Ibérica SL	Spain Madrid	Software distribution	6	100.00	100.00	100.00	Full
Cegid LTD	United Kingdom Manchester	Software distribution	6	100.00	100.00	100.00	Full
Cegid Italia SRL	Italy Milan	Software distribution	6	100.00	100.00	100.00	Full
Cegid Hong Kong Holdings Limited	Hong Kong	Holding company	6	76.00	76.00	76.00	Full
Cegid Portugal SLU	Lisbon	Software distribution	6	100.00	100.00	100.00	Full
Cegid Tunisia	Tunisia Tunis	Software development	6	100.00	100.00	100.00	Full
Cegid licenciamento de Sofware LTDA (1)	Brazil Saõ Paulo	Software development	2	100.00	100.00	0.00	Full
Company held by 21S Ingénierie							
Cegid Mauritius Ltee	Mauritius	Software development	6	99.99	99.99	99.99	Full
Company held by ASPX							
Cemagid SAS	Lyon 4287144299	Software development	6	50.00	50.00	50.00	EQ
Company held by Cegid HK LTD							
Cegid Software LTD	China Shenzhen	Software distribution	6	100.00	100.00	100.00	Full

Full: Full consolidation / EQ: Equity-accounted

(1) Subsidiary since May 1, 2013
(2) I&C was sold as of January 1, 2013

5. Notes to the balance sheet

5.1 CHANGES IN NON-CURRENT ASSETS

5.1.1 Goodwill

As there was no indication of a loss in value as of June 30, 2013, the impairment test described in Note 2.3 to the 2012 consolidated financial statements was not performed. It will be performed as of December 31, 2013.

Changes during the period broke down as follows:

(In €000)	6/30/12	12/31/12	Reclassifications	Increases	Decreases	6/30/13
Cegid	166,999	170,803	-1,753		-15	169,036
Quadratus	16,242	16,242				16,242
Cegid Public	9,887	9,887				9,887
TOTAL	**193,128**	**196,932**	**-1,753**		**-15**	**195,165**

Reclassifications during the period were made up of the allocation of goodwill related to the acquisition of TDA International (see 5.1.2).
Goodwill related to companies accounted for by the equity method were recognized in the balance sheet under "Equity-accounted subsidiaries".

5.1.2 Business combinations

(In €000)	Acquisition cost [1]	Assets acquired and liabilities assumed	Identified intangible assets [2]	Goodwill
TDA International, acquired on 7/25/2012 [3]	4,396	222	1,753	2,421
TOTAL	**4,396**	**222**	**1,753**	**2,421**

[1] Includes earn-outs agreed at the time of the acquisition, taken to liabilities, discounted as necessary.
[2] Includes allocation of goodwill related to the acquisition of TDA to customer relationships and brands.
[3] See table below
See Note 2.1.1 "Business combinations" to the 2012 financial statements.

(In €000)	Customer relationships and brands	Deferred tax liabilities	Fair value of intangible assets
TDA International, acquired on 7/25/2012	2,673	-920	1,753
TOTAL	**2,673**	**-920**	**1,753**

5.1.3 Intangible assets

Changes during the period broke down as follows:

(In €000)	6/30/12	12/31/12	Changes in scope	Reclassifications	Increases	Decreases	6/30/13
Development costs	303,780	312,436		-688	16,235	-1,489	326,494
Concessions, patents	7,825	12,326		-857	640		12,109
Customer relationships and brands [1]	12,787	12,887		2,673			15,560
Other intangible assets	757	278		225	-21		482
Gross amounts	**325,150**	**337,928**		**1,353**	**16,854**	**-1,489**	**354,645**
Development costs	-240,018	-247,939			-16,219	1,635	-262,523
Concessions, patents	-6,254	-6,849			-654		-7,503
Other intangible assets	-3,706	-4,147			-717		-4,864
Amortization	**-249,978**	**-258,936**			**-17,590**	**1,635**	**-274,890**
Net intangible assets	**75,171**	**78,992**		**1,353**	**-736**	**146**	**79,755**

[1] See Note 2.1.1 to the 2012 financial statements.

5.1.4 Property, plant & equipment

Changes during the period broke down as follows:

(In €000)	6/30/12	12/31/12	Changes in scope	Reclassifications	Increases	Decreases	6/30/13
Technical facilities, equipment and industrial supplies	14,861	11,917		1,190	575	-705	12,977
Other property, plant & equipment	9,749	9,907			104	-528	9,483
Gross amounts	**24,610**	**21,824**		**1,190**	**679**	**-1,234**	**22,459**
Technical facilities, equipment and industrial supplies	-11,258	-11,131			-545	505	-11,171
Other property, plant & equipment	-7,040	-7,385			-324	520	-7,188
Depreciation	**-18,297**	**-18,515**			**-869**	**1,025**	**-18,359**
Net property, plant & equipment	**6,313**	**3,309**		**1,190**	**-190**	**-208**	**4,101**

5.1.5 Investments and other financial assets

Changes during the period broke down as follows:

(In €000)	6/30/12	12/31/12	Change in scope of consolidation	Increases	Decreases	6/30/13
Equity investments		102				102
Equity investments and related receivables	795	792				792
Other non-current investments	182	182				182
Impairment losses	-598	-592		-57		-649
Total financial investments (1)	**379**	**484**		**-57**		**427**
Deposits and guarantees	570	563		24	-36	551
Loans	1,036	1,153			-36	1,117
Impairment losses on loans, deposits and guarantees	-107	-154		-7	37	-124
Loans, deposits and guarantees	**1,498**	**1,561**		**17**	**-35**	**1,543**
Other financial assets	**464**	**490**			**-57**	**433**
Net non-current financial assets	**2,341**	**2,533**		**-40**	**-92**	**2,403**

(1) Financial investments broke down as follows:

(In €000)	6/30/13	12/31/12	6/30/12
Equity investments	102	102	
Financial assets measured at fair value	792	792	795
Impairment losses	-646	-590	-596
TOTAL	**248**	**304**	**199**
Other investments	182	182	182
Impairment losses	-2	-2	-2
Other non-current investments	**180**	**180**	**180**
Total financial investments	**427**	**484**	**379**

5.1.6 Equity-accounted subsidiaries

(In €000)	6/30/13	12/31/12	6/30/12
Opening balance	-454	765	765
Share in net income of equity-accounted subsidiaries	-103	-1,219	-267
Closing balance	**-557**	**-454**	**498**

5.2 CHANGES IN CURRENT ASSETS

5.2.1 Changes related to impairment of current assets

(In €000)	6/30/12	12/31/12	Changes in scope	Increases	Decreases	6/30/13
Inventories and work-in-progress	6	5		4		9
Trade receivables and similar accounts	9,014	9,376		3,006	-1,633	10,749
Other receivables	44	44				44
TOTAL	**9,064**	**9,425**		**3,010**	**-1,633**	**10,802**

5.2.2 Cash and cash equivalents

(In €000)	6/30/13	12/31/12	6/30/12
Shares of mutual funds			215
Cash	2,182	3,061	1,511
TOTAL	**2,182**	**3,061**	**1,726**

5.3 FINANCIAL INSTRUMENTS

5.3.1 Fair value of financial instruments

In accordance with the requirements of IFRS 7, paragraph 27B, the tables below present the three methods used to determine the fair value of financial instruments:

- Method 1: fair value based on published price quotations in active markets,
- Method 2: fair value based on price quotations on observable markets,
- Method 3: fair value based on unobservable markets.

(In €000) as of 6/30/2013	Carrying value	Method
Financial assets measured at fair value	247	1
Other non-current financial assets	321	3
Cash equivalents		1
Cash	2,182	1
Financial assets measured at fair value	**2,750**	
(In €000) as of 6/30/2013	**Carrying value**	**Method**
Acquisition-related debt	3,987	2
Financial liabilities measured at fair value	**3,987**	

(In €000) as of 12/31/2012	Carrying value	Method
Financial assets measured at fair value	304	1
Other non-current financial assets	380	3
Cash equivalents		1
Cash	3,061	1
Financial assets measured at fair value	**3,745**	

(In €000) as of 12/31/2012	Carrying value	Method
Acquisition-related debt	4,327	2
Financial liabilities measured at fair value	**4,327**	

(In €000) as of 6/30/2013	Carrying value	Financial assets at fair value through profit or loss	Available-for-sale assets	Loans and receivables
Investments in unconsolidated companies	102		102	
Financial assets measured at fair value	145		145	
Other non-current financial assets	609		321	288
Loans	1,116			1,116
Deposits and guarantees	431			431
Other non-current receivables	2,771			2,771
Trade accounts receivable	64,382			64,382
Other short-term receivables	8,297			8,297
Cash	2,182	2,182		
Financial assets	**80,035**	**2,182**	**568**	**77,285**

(In €000) as of 6/30/2013	Carrying value	Financial liabilities at fair value through profit or loss	Debt at amortized cost	Other liabilities	Derivative instruments
Medium-term line of credit	67,843		67,508		335
Acquisition-related debt	3,987			3,987	
Trade payables	20,752			20,752	
Other current liabilities	47,518			47,518	
Current financial liabilities	828			828	
Financial liabilities	**140,928**		**67,508**	**73,085**	**335**

(In €000) as of 12/31/2012	Carrying value	Financial assets at fair value through profit or loss	Available-for-sale assets	Loans and receivables
Investments in unconsolidated companies	102		102	
Financial assets measured at fair value	202		202	
Other non-current financial assets	668		380	288
Loans	1,152			1,152
Deposits and guarantees	409			409
Other non-current receivables	2,702			2,702
Trade accounts receivable	62,532			62,532
Other short-term receivables	9,426			9,426
Cash	3,061	3,061		
Financial assets	**80,254**	**3,061**	**684**	**76,509**

(In €000) as of 12/31/2012	Carrying value	Financial liabilities at fair value through profit or loss	Debt at amortized cost	Other liabilities	Derivative instruments
Medium-term line of credit	69,224		68,517		707
Acquisition-related debt	4,327			4,327	
Trade payables	20,984			20,984	
Other current liabilities	51,874			51,874	
Current financial liabilities	2,503	2,049		454	
Financial liabilities	**148,912**	**2,049**	**68,517**	**77,639**	**707**

5.4 OTHER CHANGES

Breakdown of deferred tax assets and liabilities

(In €000)	12/31/12	Other changes	Impact on earnings	6/30/13
Deferred tax assets	2,196	-46	-4	2,146
Deferred tax liabilities	5,482	1,048	159	6,689

As of June 30, 2013, unrecognized deferred tax assets represented tax-loss carryforwards of foreign companies and totaled €2,684 thousand (€2,872 thousand as of December 31, 2012).

5.5 NOTES TO SHAREHOLDERS' EQUITY

5.5.1 Changes in share capital

	Number of shares	Par value (in €)	Share capital (in €)	Share premium (in €)
As of 12/31/2010	9,233,057	0.95	8,771,404	95,241,125
As of 12/31/2011	9,233,057	0.95	8,771,404	95,241,125
As of 12/31/2012	9,233,057	0.95	8,771,404	95,241,125
As of 6/30/2013	**9,233,057**	**0.95**	**8,771,404**	**95,241,125**

5.5.2 Earnings per share

	30/06/2013	2012	30/06/2012
Number of shares at end of period	9,233,057	9,233,057	9,233,057
Average number of shares during the period	8,734,343	8,802,393	8,808,917
Number of shares held in treasury at end of period	499,533	496,143	424,140
Consolidated net income			
Net income attributable to parent company shareholders (in €M)	7.34	12.61	2.55
Earnings per share attributable to parent company shareholders (in €) (1)	0.84	1.43	0.29
Fully diluted earnings per share attributable to parent company shareholders (in €) (2)	0.84	1.43	0.29

(1) Based on the average number of shares (excl. treasury shares).

(2) Based on the average number of shares outstanding plus the number of additional shares to be issued (excl. treasury shares). Only potentially dilutive shares enter into the calculation of fully diluted earnings per share.

5.6 PROVISIONS

5.6.1 Non-current provisions for pension obligations and employee benefits

Provisions for pension obligations and employee benefits (In €000)	6/30/13	12/31/12	6/30/12
Present value of commitments at start of period	13,103	10,403	10,403
Changes in scope		-22	
Financial costs	195	438	220
Current service costs	374	618	346
Amortization of unrecognized past service costs			35
Benefits paid during the period - long service awards	-116	-197	-154
Projected present value of commitments at end of period	13,556	11,240	10,850
Actuarial gains and losses / experience adjustments	-213	-5	-181
Actuarial gains and losses / changes in assumptions		1,598	1,713
Impact of IAS 19 amendment		270	
Projected present value of commitments at end of period	**13,343**	**13,103**	**12,382**

5.6.2 Current provisions

(In €000)	6/30/12	12/31/12	Increases	Used decreases	Unused decreases	6/30/13
Labor disputes	876	1,935	880	-187	-181	2,447
Customer disputes	2,696	2,872	238	-79	-277	2,754
Other	853	911	354	-11	-30	1,224
TOTAL	**4,424**	**5,717**	**1,472**	**-277**	**-488**	**6,424**

5.7 BREAKDOWN OF LIABILITIES BY MATURITY

(In €000)	6/30/13	1 year or less	1 to 5 years	more than 5 years
Financial debt	68,671	828	67,843	
Trade payables	20,752	20,752		
Tax and social security liabilities	41,346	41,346		
Payables related to acquired property, plant & equipment	4,837	4,597	240	
Other liabilities and unearned revenue	23,735	23,735		
TOTAL	**159,341**	**91,258**	**68,083**	

6. Notes to the income statement

6.1 BREAKDOWN OF SALES

6.1.1 By type of business

(In €000)	First half 2013	First half 2012	2012
SaaS	18,113	12,244	26,855
Licenses	15,932	14,526	32,931
Maintenance	50,530	50,458	100,990
Other	2,087	2,218	5,431
Total Software and software-related services (SSRS)	86,662	79,446	166,207
Professional services	28,855	30,190	60,159
Total SSRS and professional services	115,517	109,636	226,366
Hardware distribution and other	13,198	15,629	31,741
TOTAL	**128,715**	**125,265**	**258,107**

6.1.2 By industry segment

(In €000)	First half 2013	First half 2012	2012
Accounting profession and very small companies	48,023	47,807	100,226
Mid-market and groups	37,964	35,964	73,295
Vertical markets	33,305	32,514	65,987
Public sector	8,198	7,479	15,566
Miscellaneous	1,225	1,500	3,033
TOTAL	**128,715**	**125,265**	**258,107**

6.2 OTHER OPERATING INCOME AND EXPENSE

(In €000)	First half 2013	First half 2012	2012
Impact of acquisitions	185	2,057	2,407
Divestments	323		
Other operating income	**508**	**2,057**	**2,407**
Impact of acquisitions	-119	-2,057	-2,057
Divestments	-593		-323
Other operating expense	**-712**	**-2,057**	**-2,380**

6.3 NET FINANCIAL EXPENSE

(In €000)	First half 2013	First half 2012	2012
Financial income from equity investments	8	15	24
Income from investments	5	20	27
Income related to discounting	19	57	76
Write-back of financial provisions	13	2	5
Other financial income	83	66	120
Financial income	**128**	**160**	**252**
Interest expense on loans and other borrowings	-580	-615	-1,215
Expense related to discounting	-46	-419	-91
Financial provisions	-257	-524	-906
Other financial expense	-53	-61	-118
Financial expense	**-936**	**-1,619**	**-2,330**
Net financial expense	**-808**	**-1,459**	**-2,077**

6.4 TAXES

6.4.1 Breakdown of tax expense

(In €000)	First half 2013	First half 2012	2012
Current tax	-3,983	-1,434	-5,711
Deferred tax	-154	-257	-1,147
TOTAL	**-4,137**	**-1,691**	**-6,858**

6.4.2 Tax reconciliation

(In €000)	First half 2013	%	First half 2012	%	2012	%
Pre-tax income	11,575		4,504		20,679	
Theoretical tax	-3,985	34.43%	-1,626	36.10%	-7,120	34.43%
Effect of permanent differences	-210	1.81%	-225	5.00%	-348	1.68%
Losses of foreign subsidiaries	-130	1.12%	-57	1.27%	71	-0.34%
Tax credits	316	-2.73%	203	-4.51%	236	-1.14%
Rate effects and miscellaneous	-128	1.11%	14	-0.31%	303	-1.47%
Income tax	**-4,137**	**35.74%**	**-1,691**	**37.54%**	**-6,858**	**33.16%**

7. Notes on off-balance-sheet commitments

7.1 COMMITMENTS RECEIVED

7.1.1 Commitments received as asset and liability guarantees in connection with acquisitions

(In €000)	1 year or less	1 to 5 years	more than 5 years
Commitments subject to limitations received as asset and liability guarantees	340	2,800	
Guarantees received as part of company acquisitions	800	250	

7.1.2 Bank lines of credit

(In €000)	6/30/14	6/30/15	6/30/16	6/30/17
Drawdown authorizations under 2010 line of credit	200,000	170,000	140,000	100,000
Of which utilized as of 6/30/2013	68,000			

As of July 1, 2013, Cegid had a syndicated line of credit totaling €200 million, of which €132 million was available as of June 30, 2013. This line will reduce to €170 million on July 1, 2014, to €140 million on July 1, 2015 and to €100 million on July 1, 2016. In an agreement signed on June 24, 2013, the banks extended the final maturity to June 30, 2017.

7.2 COMMITMENTS GIVEN

There were no significant changes in off-balance-sheet commitments related to leases and bank guarantees.

Commitments given in connection with bank lines of credit

The loan agreement (see note 7.1.2) includes the customary covenants and clauses regarding accelerated maturity, specifically:

- Borrowings become immediately due and payable upon voluntary or involuntary liquidation,
- Maturity may be accelerated in the event of non-payment of an amount due under one or both of the loan agreements or in the event of non-payment of a tax or social welfare contribution, unless it has been contested.

Cegid must also adhere to the following covenants:

- Consolidated net debt / consolidated shareholders' equity less than 1,
- Consolidated net debt / average consolidated EBITDA of the past four half-year periods less than 3.

The Group is currently in compliance with these covenants and intends to remain so.

As of June 30, 2013, drawdowns under the syndicated lines of credit totaled €68 million.

8. Related party disclosures

TRANSACTIONS WITH ICMI

Details of the relationship between Cegid Group and ICMI (52 quai Paul Sédallian, 69009 Lyon) and its subsidiaries and principal executives, as well as with Groupama (8-10 rue d'Astorg, 75008 Paris) and its subsidiaries during the first half of 2013 were as follows:

(In €000)	First half 2013	First half 2012	2012
Trade receivables, gross	220	233	202
Operating liabilities	613	598	741
(In €000)	**First half 2013**	**First half 2012**	**2012**
Executive Management fees	-1,522	-1,264	-2,766
Other external expenses	-26	-44	-139
Operating expenses	**-1,548**	**-1,308**	**-2,905**
Overheads	232	251	434
Operating revenue	**232**	**251**	**434**

9. Events subsequent to June 30, 2013

Cegid signed an agreement with VDoc Software (Visiativ group) on July 1, 2013 to sell the Isoflex business (EDM-Workflow and CAD-PDM bridge) and has undertaken steps to contribute assets to a company in the nonprofits sector.

Given their non-material impact, these two transactions were not presented as "Non-current assets held for sale" under IFRS 5 in the June 30, 2013 consolidated financial statements.

To the shareholders,

In compliance with the assignment you entrusted to us at your Shareholders' Meeting and pursuant to Article L. 451-1-2 III of the Monetary and Financial Code, we have:

- conducted a limited examination of the accompanying condensed consolidated financial statements for Cegid Group SA, covering the six-month period from January 1 to June 30, 2013,
- verified the information disclosed in the management report on the first half of the year.

These condensed, consolidated, financial statements for the first half of the year are the responsibility of your Board of Directors. Our responsibility is to express a conclusion about these financial statements based on our limited review.

I. CONCLUSION REGARDING THE FINANCIAL STATEMENTS

We conducted our limited examination in accordance with French professional standards.

A limited examination consists in interviewing the individuals responsible for accounting and financial matters and in implementing analytical procedures. An examination of this type is less extensive than the work required under an audit performed in accordance with French professional standards. Consequently, the level of assurance obtained from a limited examination that the financial statements as a whole do not contain significant anomalies, is a moderate one and not as high as that obtained in the context of an audit.

Based on our limited examination, no significant anomalies have come to our attention that would cause us to question the compliance of these condensed consolidated first half financial statements with IAS 34 "Interim financial reporting", which is part of the IFRS platform adopted by the European Union.

II. SPECIFIC VERIFICATION

We have also verified the information contained in management's report on the first half consolidated financial statements that were the subject of our limited examination.

We have no observations to make as to the fairness of this information or its consistency with the condensed, consolidated, financial statements for the first half of the year.

Lyon and Villeurbanne, July 22, 2013

The Statutory Auditors

MAZARS

Christine Dubus

GRANT THORNTON

French member of Grant Thornton International

Thierry Chautant

Management certification

We hereby certify that to the best of our knowledge, the condensed first half 2013 consolidated financial statements were prepared in accordance with applicable accounting standards and give a true and fair view of the assets and liabilities, financial condition and earnings of the companies in Cegid's scope of consolidation, and that the first half management report presents a true and fair view of the important events that took place during the first six months of the fiscal year and of their impact on the first half financial statements, of the principal risks and uncertainties for the remaining six months of the year and of the principal transactions between related parties.

Monsieur Jean-Michel Aulas
Chairman of the Board of Directors

Monsieur Patrick Bertrand
Chief Executive Officer

General information

Fiscal year: January 1 to December 31

ISIN code: FR 0000124703

Reuters: CEGI.PA Bloomberg: CGD FP Number of shares as of June 30, 2013: 9,233,057

Cegid Group shares have been listed since 1986 and trade on Euronext Paris - Segment C

Cegid Group is included in the Small, Mid and Small, All-Tradable and ITCAC indices

SHAREHOLDERS AS OF JUNE 30, 2013

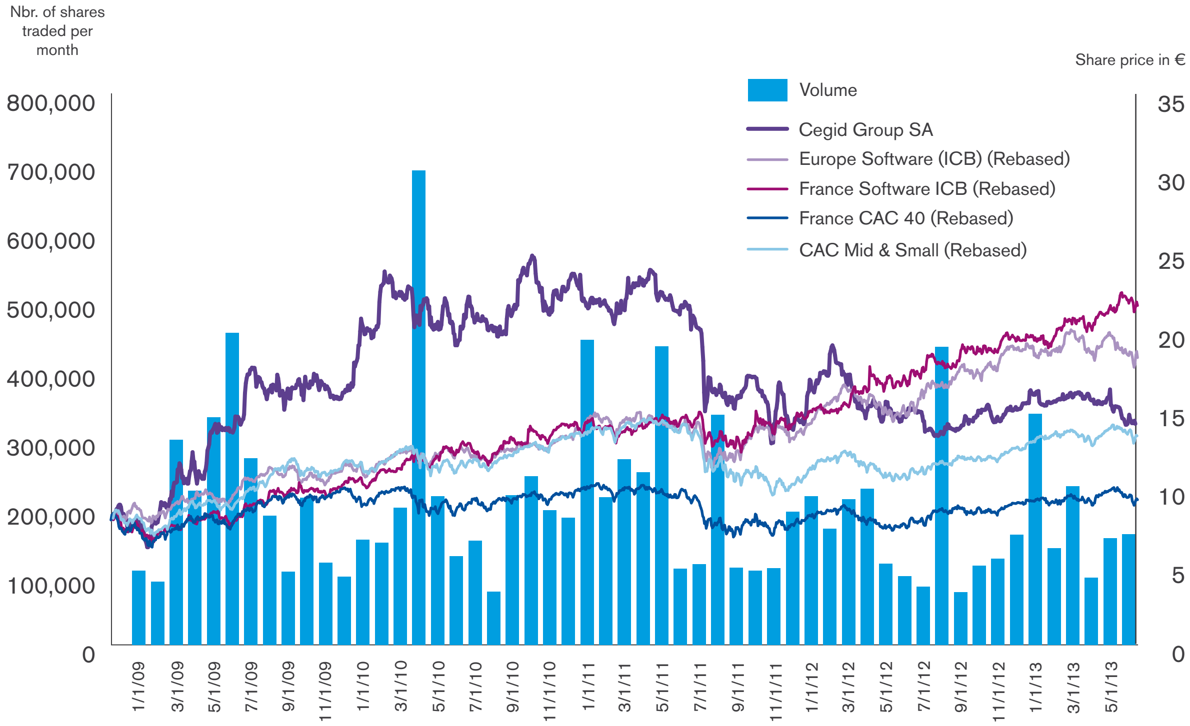
Share capital as of June 30, 2013	Number of shares	% of shares	% of voting rights
Groupama Group	2,482,531	26.89	26.34
ICMI [(1)]	927,604	10.05	14.35
Executive Board (excl. ICMI) [(2)]	90,677	0.98	1.50
Treasury shares	479,514	5.19	NS
Eximium [(3)]	466,547	5.05	4.96
Free float	4,786,184	51.84	52.85
TOTAL	**9,233,057**	**100**	**100**

[(1)] As of June 30, 2013, Jean-Michel Aulas held 99.95% of the shares of ICMI, representing 99.96% of the voting rights.

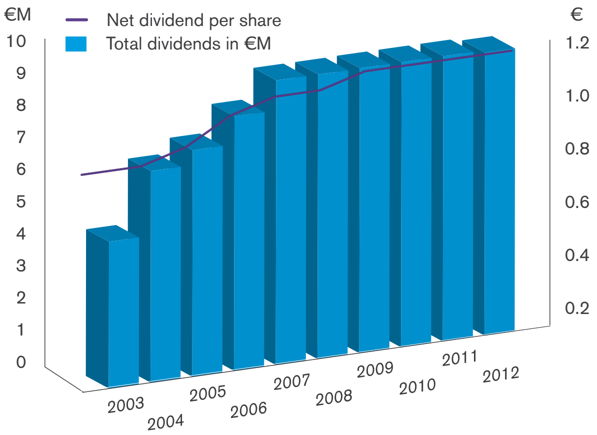
[(2)] The Chairman, Chief Executive Officer and members of the Board of Directors are considered members of the Executive Board. Nevertheless, the percentage ownership of ICMI is listed separately in the table.

[(3)] On the basis of the disclosure made to the AMF on April 3, 2013.

CEGID GROUP SHARE PRICE AND TRADING VOLUME



CEGID'S DYNAMIC DIVIDEND POLICY



Following the decision of shareholders at their May 17, 2013 Ordinary Meeting, Cegid distributed a dividend of €1.05 per share on 2012 earnings on May 24, 2013.

COVERAGE OF CEGID GROUP

The following financial analysts cover Cegid Group on a regular basis:

- ARKEON FINANCE: Gilbert Ferrand
- GILBERT DUPONT: Tony Lebon

CALENDAR

- October 2013: 3rd quarter 2013 sales*
- January 2014: 4th quarter 2013 sales*

* after the market close.

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VAT EEC FR 52 327 888 111

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