

Sword Group

Q1 2014 Financial Results

Results ahead of Budget

Luxembourg - April 24th 2014,

€M - Consolidated Figures ⁽¹⁾	Q1 2014	Q1 2013
Revenue	30.6	26.1
Current Operating Income	4.1	3.6

€M - Pro forma Figures ⁽¹⁾⁽²⁾	Q1 2014	Q1 2013
Revenue	26.8	25.3
Current Operating Income	3.9	N/A

⁽¹⁾ Non audited Figures

⁽²⁾ When considering the pro forma position, we should take into account the group perimeter after the disposal of TIPIK.

ANALYSIS

The Q1 2014 consolidated revenue has increased by 17.2% when compared with the same period in the prior year.

This increase is as a direct result of :

- Organic growth of 5.9%,
- The latest acquisitions made by Sword.

The financial results by divisions are:

€M Consolidated Figures ⁽¹⁾	Q1 2014			Q1 2013		
	R	EBIT	%	R	EBIT	%
Software	8.41	2.34	27.82%	5.56	1.53	27.52%
IT Services	18.35	1.54	8.39%	13.76	1.20	8.72%
Communication Techno.	3.80	0.22	5.79%	6.78	0.82	12.09%
Total	30.56	4.10	13.42%	26.10	3.55	13.60%

The Trademarks and Patents division which was formerly classified within IT services has now sufficiently productised its offerings that we will be considering it as part of the software business going forwards. This reclassification has been applied to both the 2013 and the 2014 figures above.

The group's net cash position is €45.8M.

PERSPECTIVES

The disposal of TIPIK will have two key implications, firstly it will allow the group to bring increased clarity to the market in respect of our core offerings and competencies centred around two key divisions, IT services and IT software. Secondly it will indirectly allow the group to increase its operating margins.

We confirm that following the Q1 results we are on target to meet our objective in respect of 5% organic growth in FY2014.

We will continue with our acquisition strategy in FY2014.

We are confident of achieving all of the financial targets that we announced at the start of the year.

Sword Group - Q1 2014 ⁽¹⁾

Consolidated Revenue: €30.6M

Pro forma Revenue: €26.8M

Pro forma Operating Margin: 14.5%

Consolidated Growth: +17.2%

Organic Growth: +5.9%

Net Cash Position: €45.8M

⁽¹⁾ Non audited Figures

A dividend payment of €1 per share will be made on the 7th May 2014.

Investor Relations

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Sword Group

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ISIN Code: FR0004180578

ICB : 9530 Software & Computer Services

Indices CAC® Small

CAC® Mid & Small

CAC® All-Tradable

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