2013/2014 results in the scope of the maintained activities: +38% Ebitda and +65% current operating income

Paris, June 2, 2014 - ***Generix Group, collaborative software vendor for Retail ecosystem, today issued the results for its fiscal year 2013/2014 ended March 31, 2014.***

38% IMPROVEMENT IN EBITDA AND 65% IN CURRENT OPERATING INCOME

Over fiscal 2013/2014 and on the scope of the maintained activities (excluding the GCE ERP activity branch that was sold on 2 May 2014), Generix Group recorded EBITDA of 4.8 million euros (which is 10% of revenue), up 38% compared to the previous period.

The growth in revenue (+2%) combined with a slight decrease in costs allows the Group to improve its current operating income by 65% over the scope of the maintained activities compared to the previous period, reaching 3.9 million euros (or 8% of revenue).

Finally, after taking into account the tax effect that was favorably impacted by the recognition of deferred tax assets that were not recognized in the past, the net income generated by the scope of the maintained activities shows an increase of 4.4 million euros compared to the previous period, reaching 4.3 million euros (or 9% of revenue).

	Twelve months ended March 31,		Variation	
IFRS consolidated accounts, in millions of Euros (unaudited)	**2014**	**2013**	**m€**	**%**
Revenues	**49,4**	**48,3**	**1,1**	**2%**
Which licenses	*4,0*	*4,2*	*- 0,2*	*-5%*
Which maintenance	*16,6*	*16,7*	*- 0,1*	*-1%*
Which SaaS	*12,5*	*11,8*	*0,7*	*6%*
Which Consulting Services	*16,3*	*15,6*	*0,7*	*5%*
Operational expenses / other income from operations	- 45,5	- 46,0	0,5	-1%
Profit from current operations from continuing operations	**3,9**	**2,4**	**1,5**	**65%**
Other operational income and expenses	- 0,4	- 1,4	1,0	-75%
Profit from operations from continuing operations	**3,5**	**1,0**	**2,6**	**264%**
Financial expenses	- 0,4	- 0,3	- 0,1	15%
Profit before income taxes	3,1	0,6	2,5	401%
Income taxes benefit	1,1	- 0,7	1,8	-249%
Net result from continuing operations	**4,3**	**- 0,1**	**4,4**	**N/A**
Net result after tax from discontinued operations (1)	*- 0,5*	*1,8*	*- 2,2*	*N/A*
Net result	**3,7**	**1,7**	**2,0**	**124%**

(1) *ERP GCE activity sold on May 2, 2014 (refer to the press release of May 5, 2014).*

EBITDA (2) in millions of Euros	Twelve months ended March 31, 2014	2013	Variation m€	%
Revenues	49,4	48,3	1,1	2%
Other income from operations	1,2	1,1	0,1	9%
Cost of goods sold	- 0,9	- 0,8	- 0,0	2%
Other purchases and external expenses	- 14,2	- 14,7	0,4	-3%
Taxes and similar payments	- 1,3	- 1,2	- 0,2	13%
Personnel costs	- 28,6	- 28,3	- 0,4	1%
Other expenses on operations	- 0,3	- 0,8	0,5	-65%
Reversals of used provisions during the period	- 0,1	-	- 0,1	N/A
Capialized production	- 0,5	- 0,3	- 0,2	52%
EBITDA from continuing operations	**4,8**	**3,5**	**1,3**	**38%**
EBITDA from discontinued operations	*0,5*	*2,2*	*- 1,7*	*-79%*

(2) EBITDA = current operating income + net provisions on current assets + net provisions for risks and charges + depreciation on fixed assets - capitalized production costs.

Fiscal 2013/2014 is above all marked by strong growth in sales with the number of new Saas contracts signed more than doubling: 8.8 million euros (+118%).

The improvement in operating operating expenses stems primarily from better cost control.

The -0.4 million euros in other operating expenses and products, shown separately in the income statement due to being non-recurring, correspond primarily over the period to the expense concerning the tax inspection completed in November 2013 (for 0.3 million euros), while over the previous period, the -1.4 million euros corresponded primarily to a provision for a dispute.

NET CASH FLOW OF €1.5 MILLION BEFORE SALE OF ACTIVITIES IN PROGRESS

The Group's net consolidated financial debt decreased 2.8 million euros over the period and as at 31 March 2014 became a positive cash flow of 1.5 million euros. It is important to note that this level of cash flow does not take into account the sales price of the activities in the process of being sold (12.25 million euros) which will impact the Group's cash flow over the first half of fiscal 2014/2015, because the sale occurred on May 2, 2014.

Net treasury, in millions of Euros (unaudited)	Twelve months ended March 31, 2014	2013	Variation m€	%
Cash and cash equivalents, end of period	8,0	7,4	0,6	8%
Short-term and long-term portions of financial obligations	6,5	8,7	- 2,2	-25%
Net treasury / (net debt)	**1,5**	**- 1,3**	**2,8**	N/A

(3) Including 3.2 million euros allocated to the activities in the process of being sold as at March 31, 2014.

(4) Including 0.4 million euros allocated to the activities in the process of being sold as at March 31, 2014.

Consolidated statements of cash flows, in millions of Euros (unaudited)	Twelve months ended March 31,		Variation	
	2014	2013	m€	%
Net income adjusted by non-cash items	4,4	3,0	1,4	45%
Change in working capital	- 0,4	- 2,1	1,7	-79%
Net cash by operating activities	4,0	0,9	3,0	332%
Net cash used in investing activities	- 1,1	- 0,9	- 0,3	33%
Free cash flow	**2,8**	**0,1**	**2,7**	**5219%**
Net cash by financing activities	- 2,2	- 1,1	- 1,1	103%
Net variation in cash and cash equivalent	0,6	- 1,0	1,6	-156%
Cash and cash equivalent, end of period from continuing operations	**4,8**	**4,2**	**0,6**	**14%**
Net variation in cash from discontinued operations	*0,0*	*- 0,8*	*0,8*	*N/A*
Cash and cash equivalent, end of period from discontinued operations	*3,2*	*3,2*	*0,0*	*1%*

The improvement in the Group's financial situation also results in a net increase in free cash flow (+ 2.7 million euros) generated over the period. The improvement in these indicators is based on the combined effect of the increase in the Group's profitability (self-financing capacity up 45%) and of the improvement in its change in Working Capital Requirements (WCR).

The free cash flow generated over the period made it possible to finance the repayment of the middle-term debt, which will have completed matured on April 1, 2015, and the decrease in the recourse to factoring.

Finally, after taking into account the flows linked to financing activities, cash flow shows an increase of 0.6 million euros over the period.

CONCLUSION AND PERSPECTIVES

Fiscal 2013/2014 allowed the Group to increase profitability and generate cash flow for its activities while still refocusing on a new scope servicing ambitious objectives in the framework of the development with SaaS.

The development of SaaS already in effect for fiscal 2013/2014 with a CMRR* up nearly 20%, makes it possible to project a sharp increase in the growth of SaaS revenue over fiscal 2014/2015. The Group is thus starting out the new fiscal period with confidence, giving priority to improving profitability generated by the growth in its revenue.

*Monthly recurring revenue after taking into account contracts that are signed but which have not started yet and cancellations that have not yet taken effect

Supplemental and non-IFRS Financial Information

Supplemental non-IFRS information (above-mentioned as EBITDA, net treasury, net debt or CMRR) presented in this press release are subject to inherent limitations. It is not based on any comprehensive set of accounting rules or principles and should not be considered as a substitute for IFRS measurements. Also, the Company's supplemental non-IFRS financial information may not be comparable to similarly titled non-IFRS measures used by other companies.

Information related to goodwill depreciation risk

In accordance with the AMF No. 2011-18 recommendation, we call attention on our goodwill depreciation risk as described in our reference document from March 31, 2013 (refer to section 4.2.2 "Goodwill depreciation risk"), as well as in our half-year financial report from September 30, 2013 (refer to note 1 section 2.1.6 "Additional notes").

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Next press release: July 28, 2014, after closing of the stock exchange
Release of first quarter revenues of financial year 2014/2015

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About Generix Group

Generix Group provides the rapidly evolving Retail Ecosystem with leading Collaborative Software Solutions to operate profitably, adjust effectively, and grow sustainably. Generix Group helps retailers, third party logistics providers and manufacturers, in managing, sharing and optimizing their data flows. Generix Collaborative Business portfolio relies on strong business expertise encompassing Supply Chain and Cross-Channel management, and uniquely leverages A2A/B2B Gateway and Portal solutions.
Auchan, Carrefour, Cdiscount, Gefco, Kuehne + Nagel, Leclerc, Leroy Merlin, Louis Vuitton, Metro, Nestlé, Sara Lee, Sodiaal, Unilever... more than 1,500 international companies trust "Generix Collaborative Business" solutions to profitably run their business, establishing Generix Group as a European leader with over €49M in revenue.
www.generixgroup.com