



## 1st Half 2014/2015 Results

### EBITDA of 7% of revenue

Paris, November 25, 2014 - **Generix Group, Industrial, Logistical and Retail Ecosystems provider with leading Collaborative Software Solutions, today issued its interim financial statements for the six-month period ended September 30, 2014.**

#### CONFIRMATION OF THE DYNAMIC GROWTH IN THE SAAS MODEL

The strong growth in sales with SaaS, already observed over fiscal 2013/2014, is confirmed over the first half of fiscal 2014/2015 with a 40% increase in the number of new SaaS contracts signed compared to the same half-year of the previous period.

As the new SaaS contracts signed run for an average of three and a half years, the signatures recorded during the first half of the year will, once the various deployments are completed, allow us to generate additional annual sales of close to 1.2 million Euros.

The benefits from the dynamic rate of contract signings observed during the previous period as well as usage levels brought growth of 16% in the revenue generated by the SaaS business, compensating for the fall in license sales during the first half of 2014/2015. Consequently, revenue was up 3% during the last six months.

IFRS consolidated accounts, in millions of Euros	Six months ended, September 30.		Variation	
	2014	2013	m€	%
<b>Revenues</b>	<b>24,9</b>	<b>24,2</b>	<b>0,8</b>	<b>3%</b>
<i>Which licenses</i>	1,3	2,0	- 0,6	-33%
<i>Which maintenance</i>	8,6	8,2	0,4	5%
<i>Which SaaS</i>	6,9	6,0	0,9	16%
<i>Which Consulting Services</i>	8,1	8,0	0,1	1%
Operational expenses / other income from operations	- 24,0	- 22,4	- 1,7	8%
<b>Profit from current operations from continuing operations</b>	<b>0,9</b>	<b>1,8</b>	- <b>0,9</b>	<b>-51%</b>
Other operational income and expenses	- 0,6	- 0,3	- 0,3	110%
<b>Profit from operations from continuing operations</b>	<b>0,3</b>	<b>1,5</b>	- <b>1,2</b>	<b>-83%</b>
Financial expenses	- 0,1	- 0,2	0,1	-34%
Profit before income taxes	0,1	1,3	- 1,2	-90%
Income taxes benefit	- 0,1	- 0,4	0,3	-68%
<b>Net result from continuing operations</b>	<b>0,0</b>	<b>0,8</b>	- <b>0,8</b>	<b>-100%</b>
<i>Net result after tax from discontinued operations</i>	- 0,9	- 0,5	- 0,4	-81%
<b>Net result</b>	<b>- 0,9</b>	<b>0,3</b>	- <b>1,3</b>	<b>N/A</b>

EBITDA in millions of Euros	Six months ended, September 30.		Variation	
	2014	2013	m€	%
Revenues	24,9	24,2	0,8	3%
Other income from operations	0,5	0,6	- 0,1	-15%
Cost of goods sold	- 0,4	- 0,5	0,0	-8%
Other purchases and external expenses	- 7,7	- 7,0	- 0,7	10%
Taxes and similar payments	- 0,6	- 0,7	0,0	-2%
Personnel costs	- 14,2	- 14,0	- 0,2	2%
Other expenses on operations	- 0,4	- 0,1	- 0,2	156%
Reversals of used provisions during the period	- 0,0	-	- 0,0	N/A
Capitalized production	- 0,4	- 0,2	- 0,2	72%
<b>EBITDA from continuing operations (1)</b>	<b>1,7</b>	<b>2,4</b>	<b>- 0,6</b>	<b>-27%</b>

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

Building on a solid profitability structure, the Group produced EBITDA of over 7% of revenue (i.e. 1.7 million euros).

In view of increasing interest in the offers rolled out by the Group using a SaaS model and given Generix's wish to expand market share, the Group has since the start of the period, decided to strengthen its operational marketing resources and sales forces. This effort made to ensure future growth in SaaS revenues which are taking over from the license-based model mean that EBITDA is down 27% over the same period last year.

The other operational income and expenses heading, representing a charge of €0.6 million singled out in the profit and loss account for its non-recurring nature, during this half year period represented the cost of staff member profit sharing mostly derived from the capital gains derived from selling the GCE ERP activity whereas for the same half last year, the €0.3 million charge was recorded in relation to a tax audit.

## NET CASH FLOW OF €5.2 AFTER SELLING THE GCE ERP ACTIVITY

The ERP GCE activity sold in May 2014 allowed the Group to show largely positive net cash flow of €5.2 on September 30, 2014, at a level sharply higher over a comparable period.

Net treasury, in millions of Euros	Six months ended, September 30.		Variation	
	2014	2013	m€	%
Cash and Cash equivalents, end of period	9,4	2,8	6,6	231%
Short-term and long-term portions of financial obligations	- 4,2	- 6,4	2,3	-35%
<b>Net treasury / (net debt)</b>	<b>5,2</b>	<b>- 3,6</b>	<b>8,8</b>	<b>N/A</b>

Consolidated statements of cash flows, in millions of Euros	Six months ended, September 30.		Variation	
	2014	2013	m€	%
Net income adjusted by non-cash items	- 0,4	2,2	- 2,7	N/A
Change in working capital	- 1,8	- 3,0	1,2	-39%
Net cash by operating activities	- 2,3	- 0,8	- 1,5	189%
Net cash used in investing activities	8,9	- 0,3	9,2	N/A
<b>Free cash flow</b>	<b>6,6</b>	<b>- 1,1</b>	<b>7,7</b>	<b>N/A</b>
Net cash by financing activities	- 2,0	- 2,0	- 0,0	1%
Net variation in cash and cash equivalent	4,6	- 3,1	7,7	N/A
<b>Cash and cash equivalent, end of period from continuing operations</b>	<b>9,4</b>	<b>1,3</b>	<b>8,1</b>	<b>636%</b>
<i>Net variation in cash from discontinued operations</i>	<i>- 3,2</i>	<i>- 1,4</i>	<i>- 1,8</i>	<i>-123%</i>
<i>Cash and cash equivalent, end of period from discontinued operations</i>	<i>-</i>	<i>1,6</i>	<i>- 1,6</i>	<i>-100%</i>

The cash flow statement expresses the flows between March 31 and Tuesday, September 30, 2014 in comparison to the same period last year. Between these two dates, the working capital requirements increased due to paying for annual maintenance contracts invoiced at the start of the calendar year and accounted for in revenues over the entire year.

The improvement in the Group's financial situation translates into a clear increase in free cash flow over a comparable period (up €7.7 M). This is based:

- on the clear increase in cash flow linked to investment activities (up €9.2 M), relating to the sale of the GCE activity on May 2, 2014, and
- is offset by the fall in the operating cash flow that is mainly linked, setting aside changes in Ebitda (down €0.6 M), to the transfer from a provision related to a commercial dispute (fully recorded in September, 2012), to current liabilities for an amount of €1.6 M after a decision handed down on appeal, and the consequent €0.3 M charge taken under the other charges and operational incomes heading.

## PROSPECTS

During the second half of the year, the Group expects to see a strong acceleration in the signature of new SaaS contracts which will allow a further increase in the recurrence rate and in profitability, once the projects are deployed.

### Supplemental and non-IFRS Financial Information

Supplemental non-IFRS information (above-mentioned as Ebitda, net treasury or net debt) 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, 2014 (refer to section 4.2.2 "Goodwill depreciation risk").

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The Half-Year Financial Report at September 30, 2014 is available for download at the address:  
<http://www.generixgroup.com/fr/investisseurs/information-reglementee/rapports-financiers.htm>.

Next press release: January 26, 2014 after closing of the stock exchange  
Revenues for the third quarter of financial year 2014/2015

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### About Generix Group

Vendor of application solutions for manufacturing, logistics and retail ecosystems, Generix Group helps its clients 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, DHL, Feu Vert, Gefco, Kuehne + Nagel, Leroy Merlin, Louis Vuitton, Metro, Nestlé, Sodial, Unilever,... more than 1,500 international companies trust "Generix Collaborative Business" solutions to profitably run their business, establishing Generix Group as an European leader with close to €50M in revenue.

For more information, visit [www.generixgroup.com](http://www.generixgroup.com)