2015/2016 Results

Ebitda of 5% of revenue

Paris, May 30, 2016 – **Generix Group, Industrial, Logistical and Retail Ecosystems provider with leading Collaborative Software Solutions, issued today the results for its fiscal year 2015/2016 ended March 31, 2016.**

Growth borne by a dynamic SaaS model – EBITDA of 5% of revenue

The Group's strategic change of course towards a SaaS model undertaken a few years ago was confirmed during fiscal 2015/2016 with growth of 125% in new SaaS contracts signed compared with the previous year.

As the new SaaS contracts signed run for an average of 4.1 years, the signatures recorded over fiscal 2015/2016 for new SaaS contracts will, once the various deployments are completed, allow us to generate additional annual sales of close to €6 million, which is an increase of more than 45% in CMRR*.

The strong sales trend observed around SaaS results in a growth in revenues from this business of 20% and also explains the growth posted in the Consulting and Services businesses thanks to the projects that come with the new signings.

	Twelve months ended March 31,		Variation	
IFRS consolidated accounts, in millions of Euros	**2016**	**2015**	**m€**	**%**
Revenues	**58,4**	**53,7**	**4,7**	**9%**
Which licenses	*4,1*	*4,0*	*0,1*	*2%*
Which maintenance	*17,4*	*17,1*	*0,4*	*2%*
Which SaaS	*17,8*	*14,9*	*2,9*	*20%*
Which Consulting Services	*19,0*	*17,7*	*1,3*	*8%*
Operational expenses / other income from operations	-55,0	-49,5	-5,6	11%
Profit from current operations from continuing operations	**3,3**	**4,2**	**-0,8**	**-20%**
Other operational income and expenses	-1,1	-0,9	-0,2	18%
Profit from operations from continuing operations	**2,3**	**3,3**	**-1,0**	**-30%**
Financial expenses	-0,2	-0,3	0,0	-12%
Profit before income taxes	2,0	3,0	-1,0	-32%
Income taxes benefit	-0,7	-1,0	0,3	-29%
Net result from continuing operations	**1,3**	**2,0**	**-0,7**	**-33%**

Net result after tax from discontinued operations	*0,0*	*-1,1*	*1,1*	*N/A*

Net result	**1,2**	**0,8**	**0,4**	**47%**

	Twelve months ended March 31,		**Variation**	
EBITDA (1) in millions of Euros	**2016**	**2015**	**m€**	**%**
Revenues	58,4	53,7	4,7	9%
Other income from operations	1,4	1,5	-0,1	-8%
Cost of goods sold	-0,9	-0,9	0,0	-1%
Other purchases and external expenses	-19,2	-16,2	-3,0	19%
Taxes and similar payments	-1,6	-1,3	-0,2	17%
Personnel costs	-32,4	-29,9	-2,5	9%
Other expenses on operations	-0,8	-0,5	-0,2	44%
Reversals of used provisions during the period	-1,0	-0,4	-0,6	148%
Capitalized production	-0,9	-1,0	0,1	-10%
EBITDA from continuing operations	**3,0**	**4,9**	**-1,9**	**-39%**
EBITDA from discontinued operations	**0,0**	**-0,2**	**0,2**	**-100%**

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

During fiscal 2015/2016, the Group recorded EBITDA of 5% of revenue (or €3.0 million). The drop in EBITDA compared with revenue is primarily caused by the cumulative effect of:

> The full year impact of the reinforced operational marketing and sales force resources added in 2014/2015 given rising interest in the offers the Group has rolled out;

> The variable sales force costs (excluding the very significant contracts where sales commissions are spread over the entire duration of the contracts) linked to the rise in SaaS contract signings.

After allowing for net depreciation and provisions, down by €1.2 million compared with the previous fiscal year, current operating revenue is €3.3 million (or 6% of revenue) compared with €4.2 million for the previous fiscal year.

The other charges and operational revenues, amounting to -€1.1 million are singled out in the profit and loss account for their non-recurring nature. Over the past fiscal year, they correspond to the costs linked to moving the Group's main offices located in Paris, France (-€0.8 million) as well as part of the purchase price of newly added subsidiary company GMI Connectivity to be shown in the profit and loss account (-€0.3 million). As a reminder, operational costs during the previous fiscal year were linked primarily to the sale of the GCE ERP business and to the share buyback operation. Consequently, operating profit comes in at €2.3 million (or 4% of revenue).

Net profit comes in at €1.3 million for fiscal 2015/2016 (or 2% of revenue).

Internal financing capacity up 14%

Net debt, in millions of Euros	Twelve months ended March 31, 2016	2015	Variation m€	%
Cash and cash equivalents, end of period	5,5	8,0	-2,5	-32%
Short-term and long-term portions of financial obligations	7,9	7,3	0,6	8%
Net treasury / (net debt)	**-2,4**	**0,7**	**-3,1**	-428%

Consolidated statements of cash flows, in millions of Euros	Twelve months ended March 31, 2016	2015	Variation m€	%
Net income adjusted by non-cash items	2,4	2,1	0,3	14%
Change in working capital	-1,9	0,1	-2,0	-2001%
Net cash by operating activities	0,5	2,2	-1,7	-78%
Net cash used in investing activities	-3,6	7,9	-11,6	-146%
Free cash flow	**-3,2**	**10,1**	**-13,2**	**-131%**
Net cash by financing activities	0,6	-6,9	7,5	-109%
Net variation in cash and cash equivalent	-2,5	3,2	-5,7	-179%
Cash and cash equivalent, end of period from continuing operations	**5,5**	**8,0**	**-2,5**	**-32%**
Net variation in cash from discontinued operations	*0,0*	*-3,2*	*3,2*	*N/A*
Cash and cash equivalent, end of period from discontinued operations	*0,0*	*0,0*	*0,0*	*N/A*

Our cash flow for the past fiscal year was marked by:

> An internal financing capacity up by €0.3 million compared with the previous fiscal year, hitting €2.4 million (or 4% of revenue),

- A €1.9 million variation is the need for working capital due to:
    - An increase in accounts receivable of €2.0 million (+ 9%) relating to the growth achieved during fiscal 2015/2016,
    - An increase in accounts payable offset by reduced taxes and profit sharing payable due to the sale of the GCE ERP business that was present on 31 March 2015 and paid off over the past fiscal year.
- Net cash flow linked to investment activities (€-3.6 million) especially reflecting the purchase of GMI Connectivity as well moving the Paris offices. As a reminder, the €7.9 million credit during fiscal 2014/2015 mainly expressed the sale of the GCE ERP business.

Prospects

The dynamic trend born of the recurring nature of the SaaS business means that the Group can approach fiscal 2016/2017 with confidence given its capacity to maintain the level of growth and the desire to improve profitability.

* 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 CMRR, Ebitda 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.

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Next press release: July 25, 2016 after closing of the stock exchange
Release of first quarter revenues of financial year 2016/2017

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About Generix Group

Software editor of collaborative applications, Generix Group helps its customers to face with the digital enterprise challenges: facilitating buying journeys, building a digital supply chain, and dematerializing all data flows. By building differentiating services, Generix Group optimizes the overall performance of the company within its ecosystem, enabling it to meet customers' new expectations.

Over 5,000 international players have contributed to establishing Generix Group as a European leader, with close to €58 million in turnover

For more information, visit www.generixgroup.com