

**Press release**  
Interim Financial Reporting  
Results for the first half of 2009/2010

Paris, 18 December 2009

TR Services Group, the IT services integrator and operator, today announced consolidated results for the first half of its 2009/2010 financial year ending 31 March 2010.

€ million	<b>First half 2009/2010</b>	First half 2008/2009	Full-year 2008/2009
Revenues	<b>20.81</b>	19.68	38.90
Underlying operating income	<b>(1.23)</b>	(0.37)	(0.77)
Operating income	<b>(1.35)</b>	(0.38)	(0.87)
Net income	<b>(1.34)</b>	(0.58)	(1.45)

First-half revenues, announced on 16 November, totalled €20.81 million, up 5.8% relative to the year-earlier period.

The group made an underlying operating loss of €1.23 million, as opposed to a €0.37 million loss in the first half of 2008/2009.

**First-half performance affected by tough economic conditions**

The general economic environment was very difficult in the first half. The Group performed in line with broad sector trends, and business levels were down significantly in organic terms. The increase in revenues was due entirely to the acquisition of ATTI on 31 March 2009; if we ignore the contribution of ATTI for the half year, the existing group revenues were down by 7%.

The cyclical decline in Artelcom's revenues was made worse by Nortel entering Chapter 11. However, Nortel's recent acquisition by Avaya has now boosted Artelcom's order book since the start of the second half. **The TR Services Group is now the only integrator in France with expertise in both Avaya and Nortel technologies.**

In October 2009, order intake was 50% higher than in October 2008. This trend continued in November, and half of the previously mentioned order shortfall will have been made up by 31 December. As a result, the Group expects full-year order intake to equal that seen in 2008/2009 assuming no change in the operating environment. **The €45 million revenues target should therefore be attained.**

TR Services signed some large contracts in the first half, with customers including Aprionis, SDIS 77 and 27 (regional fire services), Centre Hospitalier Intercommunal des Andaines, Centre de Formations Industrielles de la CCIP(Paris Chamber of Commerce), Egencia and Groupe H2A, along with its first orders in China and Serbia.

**Ongoing cost savings**

The Group initiated major organisational changes in the first half of 2009/2010. Adjustments will continue for the rest of the financial year, and their full financial impact will start to be seen in the second half.

The workforce has undergone substantial change, with 30 employees leaving the Group since 1 April 2009, while the Group is continuing to strengthen its sales teams.

Barring a further deterioration in the economy, the combination of the Group's firm grip on structural costs and steady full-year revenues will lead to significant earnings in the second half, thus largely offsetting, if not all, the first-half loss.

### **Outlook**

Despite tough economic conditions, the TR Services Group is now well positioned to pursue its ambitious strategy.

- The new organisation, including the appointment of a Chief Operational Officer, is capable of attaining the Group's objectives.
- The Group's financial position is secure, through the assistance of OSEO and the Group's new banking partners.
- It is expanding in France by opening new branch offices.
- It is working with large corporate customers outside France through new subsidiaries in Shanghai (China) and Belgrade (Serbia). These subsidiaries should become self-financing very quickly, in early 2010 for Serbia and April 2010 for China.

The Group has also acquired, through its Artelcom subsidiary, the activities of VobisCom under the disposal plan ordered by the Meaux commercial court on 10 November 2009. This acquisition strengthens the Group's technological skills in consultancy and integration of value-added Avaya and Nortel solutions.

### **Forthcoming publications**

Publication of third-quarter 2009/2010 revenues: 19 February 2010.

### **New website: [www.finance.trservices.fr](http://www.finance.trservices.fr)**

A new investor relations website will help to keep investors up to date with the TR Services Group's financial news. The Half-Year Financial Report will be on-line at the latest on the 23 of December.

### **About the TR Services Group**

The TR Services Group is an independent IT services integrator and operator, offering a new perspective on telecoms/IT convergence. It creates innovative corporate communication solutions and provides its customers with the services they need to maximise the effectiveness of their IT systems.

With the expertise of its 450 staff across France, the TR Services Group works with more than 3,000 public-sector, corporate and SME client-sites. Télécom Réseaux Services has been listed on the Euronext stock exchange since 1999. (ISIN FR0000071763) [www.trservices.fr](http://www.trservices.fr)

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