

Fourth quarter 2006 sales up 5.8%



Sales growth picked up speed in the second half (4.9%)

Robust advance in estimated 2006 income from ordinary activities (>30%)

Consolidated sales	2006 (€M)	2005 (€M)	Change, unadjusted scope of consolidation
FULL-YEAR TOTAL	228.2	224.3	1.7%*
First half	106.5	108.3	-1.7%
Third quarter	52.8	50.9	+3.7%
Fourth quarter	68.9	65.1	+5.8%

* Impact of changes in scope of consolidation for the full year (GTI Industrie, PMI Soft and I&C): €5.2M

1. Fourth quarter 2006: Robust 11.7% advance in sales of "Business Software and Related Services"

Sales of "Business Software and Related Services" rose by nearly 12% in the fourth quarter of 2006, unadjusted for changes in the scope of consolidation (8% at constant scope), confirming the favorable trend that began in June 2006.

Consolidated fourth quarter sales of €68.9M represented an advance of nearly 6% unadjusted (3% at constant scope), even though hardware sales and installation declined by more than €2M.

Over all of 2006, consolidated sales totaled €228.2M, an increase of €4M compared with 2005, after taking into account a decrease of around €10M in hardware sales and installation over all of 2006.

In the course of the second half, Cegid continued to develop its positioning among large and medium-sized companies. This market segment is a second strategic avenue, alongside Cegid's strong positioning with small and very small companies. Several new contracts were signed in the second half of 2006: Buffalo Grill (ERP – Restaurant), e2v semiconductors (ERP – Human Resources), Hermès (ERP – Fashion), HSBC Private Bank Monaco and Stef-TFE (Finance and Tax), KPMG (ERP – CPAs) and Latty International (ERP – Manufacturing).

2. Robust advance in estimated 2006 income from ordinary activities: >30%

Operating profitability in double digits (>12.5%)

Growth in sales and good control of the breakeven point, resulting in particular from further growth in gross profit, led to consolidated operating profitability that should be equal to at least 12.5% of consolidated sales (vs. 9.5% in 2005) and to an increase in 2006 income from ordinary activities of more than 30% over that of 2005.

Between 2004 and 2006, the Cegid Group's income from ordinary activities, unadjusted for changes in the scope of consolidation, will have more than doubled.

3. Outlook: More growth and higher profitability in 2007

With the legal combination of Cegid and Ccmx now operational, the Group will be able to reap the full benefits of its new structure.

Specifically, Cegid will leverage its numerous strengths in pursuing expansion in 2007:

- a broad range of products with industry-specific solutions,
- positioning on both avenues of the corporate market: small and very small companies on the one hand, large and medium-sized companies and corporate families on the other,
- publisher/host expertise via *Cegid On Demand*,
- a direct distribution network in physical proximity to customers, employing value-added resellers,
- accelerating international business.

These advantages, backed by a level of recurrent contracts that represent around 45% of consolidated sales, should enable Cegid to post further growth in "Business Software and Related Services" in 2007. For the third consecutive year, it should also be able to post advances in income from ordinary activities and operating profitability.

With its sound financial condition and ability to mobilize additional resources through its medium-term bank credit line, the Group will pursue its acquisition strategy in 2007.

4. Calendar

Full-year 2006 earnings will be published in a press release on March 20, 2007 after the market close.

The full calendar of publication dates and upcoming events can be found at the following address: <http://www.cegid.com/calendrier-financier>

This English translation is for the convenience of English-speaking readers. However, only the French text has legal value. Consequently, the translation may not be relied upon to sustain any legal claim, nor should it be used as the basis of any legal opinion. Cegid Group expressly disclaims all liability for any inaccuracy herein.

(The figures included in this press release are consolidated, unaudited, preliminary estimates.)

Stock market	ISIN stock code	REUTERS	BLOOMBERG	SEGMENT	FTSE	INDICES
Eurolist Paris Compartment B	FR0000124703	CEGI.PA	CGD FP	NextEconomy	9537 Software	Small 90, Mid and Small 190 and ITCAC

