



# **FINANCIAL STATEMENTS**

## **First Half FY'10**

**July 31, 2010**

## BALANCE SHEET (Keuros)

	As at 07/31/10 (unaudited)	As at 07/31/09 (unaudited)	As at 01/31/10
<b>ASSETS</b>			
<b>Non-current assets</b>	<b>58 403</b>	<b>55 461</b>	<b>57 989</b>
Goodwill	16 740	14 575	16 939
Intangible assets, gross	58 243	53 254	50 291
Intangible assets, accumulated depreciation	(26 604)	(22 623)	(19 302)
Fixed assets, gross	11 689	11 369	11 078
Fixed assets, accumulated depreciation	(9 266)	(8 810)	(8 509)
Cash flow hedge instruments.	68	151	
Deferred tax assets	5 777	5 978	5 898
Other non current assets	1 754	1 567	1 593
<b>Current assets</b>	<b>40 204</b>	<b>39 552</b>	<b>50 122</b>
Accounts receivable, gross	23 315	20 087	33 407
Allowance for doubtful accounts	(2 423)	(1 520)	(2 332)
Other short term receivables	7 531	8 536	6 369
Prepaid expenses	1 151	1 387	1 467
Cash and cash equivalents	10 630	11 062	11 211
<b>TOTAL ASSETS</b>	<b>98 607</b>	<b>95 013</b>	<b>108 111</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>Shareholders' equity</b>	<b>60 011</b>	<b>58 070</b>	<b>61 845</b>
Share capital	17 600	17 600	17 600
Additional paid-in capital	24 268	24 268	24 268
Reserves and retained earnings	22 237	21 017	21 069
Net income (loss)	(2 565)	(2 333)	1 168
Treasury stock	(3 926)	(3 838)	(3 904)
Share-based payment (Stock-options...)	1 471	1 150	1 361
Fair value adjustment hedge instruments	(202)	(251)	(242)
Currency translation adjustment	1 127	456	525
<b>Minority interests</b>	<b>528</b>	<b>477</b>	<b>527</b>
<b>Total Shareholders' equity</b>	<b>60 539</b>	<b>58 548</b>	<b>62 372</b>
<b>Non-current liabilities</b>	<b>10 531</b>	<b>10 598</b>	<b>11 615</b>
Long-term share of financial debt	6 952	7 670	8 744
Other long term debts	2 399	1 781	2 010
Obligations under capital lease excluding current portion	68	22	87
Cash flow hedge instruments	695	507	249
Deferred tax liabilities	418	618	525
<b>Current liabilities</b>	<b>27 537</b>	<b>25 867</b>	<b>34 125</b>
Short-term share of financial debt	3 135	2 287	3 369
Current portion of obligations under capital lease	56	121	100
Accounts payable	3 540	2 831	4 530
Accrued compensation and taxes, and other short-term liabilities	10 570	11 596	14 955
Provisions for contingencies, risks and litigations	217	392	349
Deferred income	10 019	8 640	10 820
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>98 607</b>	<b>95 013</b>	<b>108 111</b>

## CONSOLIDATED INCOME STATEMENT (Keuros)

	Half-year ended 07/31/10 (unaudited)	Half-year ended 07/31/09 (unaudited)	Year ended 01/31/10
Licenses and maintenance	22 874	20 703	54 116
Consulting	9 937	10 069	20 234
Other	481	386	751
<b>Total revenues</b>	<b>33 291</b>	<b>31 158</b>	<b>75 100</b>
Cost of revenue	(11 688)	(11 967)	(25 187)
Research and development costs	(7 375)	(5 649)	(12 507)
Selling and marketing expenses	(12 025)	(10 612)	(22 570)
General and administrative costs	(5 048)	(5 151)	(10 223)
Goodwill amortization			
<b>Income from operations</b>	<b>(2 845)</b>	<b>(2 220)</b>	<b>4 613</b>
Interest income	23	47	106
Interest expense	(395)	(403)	(840)
Foreign exchange gains and losses, net	(294)	(424)	(553)
<b>Income (loss) from financial activities</b>	<b>(666)</b>	<b>(781)</b>	<b>(1 287)</b>
<b>Income before taxes and minority interest</b>	<b>(3 512)</b>	<b>(3 001)</b>	<b>3 326</b>
Provision for income tax	928	605	(2 105)
<b>Income before minority interests</b>	<b>(2 583)</b>	<b>(2 396)</b>	<b>1 221</b>
<i>Minority interests</i>	(19)	(63)	53
<b>Net income</b>	<b>(2 565)</b>	<b>(2 333)</b>	<b>1 168</b>

Basic net income per share (in Euros)	(0,47)	(0,43)	0,22
Average number of shares	5 430 317	5 426 393	5 431 989
Diluted net income per share (in Euros)	(0,47)	(0,43)	0,21
Average number of diluted shares	5 430 317	5 426 393	5 449 572

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Keuros)**

	Number of shares	Share capital	Additional paid-in capital	Income and retained earnings	Currency translation adjustment	Sharehol- ders' equity	Minority Interest	Total Equity
<b>As at January 31st 2009 (in Keuros)</b>	<b>5 866 529</b>	<b>17 600</b>	<b>24 268</b>	<b>18 061</b>	<b>1 141</b>	<b>61 070</b>	<b>467</b>	<b>61 537</b>
- Fair value adjustment hedging instrument				49		49		49
- Currency translation adjustment				52	-615	-564	8	-556
<b>Income and Expenses recognized directly in Equity</b>				<b>101</b>	<b>-615</b>	<b>-515</b>	<b>8</b>	<b>-507</b>
Net income				1 168		1 168	53	1 221
<b>Global Result</b>				<b>1 269</b>	<b>-615</b>	<b>654</b>	<b>60</b>	<b>714</b>
Capital increase								
Capital decrease								
Treasury stock				-128		-128		-128
Share-based payment transactions				249		249		249
Other changes						0		0
<b>As at January 31st 2010 (in Keuros)</b>	<b>5 866 529</b>	<b>17 600</b>	<b>24 268</b>	<b>19 452</b>	<b>525</b>	<b>61 845</b>	<b>527</b>	<b>62 372</b>
- Fair value adjustment hedging instrument				40		40		40
- Currency translation adjustment					601	601	20	621
<b>Income and Expenses recognized directly in Equity</b>				<b>40</b>	<b>601</b>	<b>642</b>	<b>20</b>	<b>662</b>
Net income				-2 565		-2 565	-19	-2 583
<b>Global Result</b>				<b>-2 524</b>	<b>601</b>	<b>-1 923</b>	<b>1</b>	<b>-1 922</b>
Capital increase								
Capital decrease								
Treasury stock				-21		-21		-21
Share-based payment transactions				110		110		110
Other changes				0	0	0	0	0
<b>As at July 30st 2010 (in Keuros)</b>	<b>5 866 529</b>	<b>17 600</b>	<b>24 268</b>	<b>17 016</b>	<b>1 127</b>	<b>60 011</b>	<b>528</b>	<b>60 539</b>

Income and Expenses recognized directly in Equity	07/31/10	07/31/09	01/31/10
<i>(In Keuros)</i>			
<b>Net Income</b>	<b>-2 583</b>	<b>-2 396</b>	<b>1 221</b>
- Fair value adjustment hedging instrument	40	41	49
- Currency translation adjustment	621	-611	-556
Tax impact			
<b>Income and Expenses recognized directly in Equity</b>	<b>662</b>	<b>-570</b>	<b>-507</b>
<b>Global Result</b>	<b>-1 922</b>	<b>-2 966</b>	<b>714</b>
<b>Of them</b>			
Group ' interest	-1 923	-2 976	654
Minority Interest	1	10	60
<b>Total</b>	<b>-1 922</b>	<b>-2 966</b>	<b>714</b>

<b>CONSOLIDATED CASH FLOW STATEMENT (Keuros)</b>	<b>Half-year ended 07/31/10 (unaudited)</b>	<b>Half-year ended 07/31/09 (unaudited)</b>	<b>Year ended 01/31/10</b>
<b>Income before minority interests</b>	<b>(2 583)</b>	<b>(2 396)</b>	<b>1 221</b>
Depreciation and provisions	992	1 036	2 866
Capitalization of research & development costs	(414)	(1 436)	(1 649)
Deferred income taxes	177	171	208
Unrealized gain and loss on hedging instruments	414	140	38
Share-based payment transactions (stock options...)	110	38	249
Loss (gain) on sales of assets	(30)	0	(1)
Accounts receivable	11 353	11 487	(1 492)
Other current assets	(769)	(1 538)	596
Other long term assets	(61)	(57)	(78)
Accounts payable	(1 487)	(483)	1 035
Other liabilities	(6 086)	(1 953)	3 190
<b>Net cash flows from operating activities</b>	<b>1 617</b>	<b>5 010</b>	<b>6 182</b>
Purchase of intangibles	(502)	(41)	(516)
Purchase of property and equipment	(364)	(274)	(934)
Proceeds from the sale of assets	34	3	3
Purchase of minority interests	(13)	(68)	(2 326)
Payment for acquisitions, net of cash acquired		7	60
<b>Net cash used for investing activities</b>	<b>(846)</b>	<b>(374)</b>	<b>(3 712)</b>
Proceeds from loans	568	(385)	2 895
Repayment of borrowings	(2 214)	(1 240)	(2 379)
Impact of new capital lease obligations			135
Principal payments of capital lease obligations	(66)	(81)	(173)
Proceeds from issue of shares			
Proceeds from disposal (acquisition) of treasury stock	(21)	(61)	(128)
Cash dividends paid			
<b>Net cash used in financing activities</b>	<b>(1 733)</b>	<b>(1 767)</b>	<b>360</b>
Effect of exchange rate changes on cash and cash equivalents	381	(412)	(222)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(581)</b>	<b>2 458</b>	<b>2 607</b>
Beginning of year	11 211	8 604	8 604
End of year	10 630	11 062	11 211
<b>Net change in cash and cash equivalents</b>	<b>(581)</b>	<b>2 458</b>	<b>2 607</b>