

# Sword Group

## 2016 Second Quarter Results

### Revenue: +€40.3M in line with the budget

### Profitability: 16.0% (EBITDA margin) above budget

Sword Group S1-2016 <sup>(1) (2)</sup>

Consolidated Revenue: €80.1M

EBITDA margin: 15.5%

Organic growth at constant exchange rates: +17.1%

<sup>(1)</sup> Non audited Figures

<sup>(2)</sup> % calculated from figures in €K.

### Investor Relations

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#### Sword Group

1 500\* staff

Listed on Euronext Paris - Compartment B

ISIN Code: FR0004180578

ICB: 9530 Logiciels et Services Informatiques

Indices:

CAC® Small

CAC® Mid & Small

CAC® All-Tradable

CAC® All-Share

#### About Sword Group

SWORD has 1 500 IT/Digital & Software specialists present over five continents to accompany you in the growth of your organisation in the digital age.

As a leader in technological and digital transformation, SWORD has since 2000 acquired a solid reputation in software publishing and in complex IT & business project management.

With SWORD you have the guarantee of strong close and qualified local commitment, the aim of which is to optimise your processes and data.

Above all, our ambition is to build sustainably and foster the loyalty of our staff, our clients and our partners by building on our values and our enthusiasm to accompany you throughout your projects.

The Group's performance enables us to invest in the R&D projects that contribute to our positioning and our differentiation on niche markets.

Thanks to its recognised competences in over 20 countries, Sword benefits from the trust of prestigious references such as: Admiral, Barclays Bank, BMW, the European Union, the National Payment and Trademark Offices, Lombard, Orange, the United Nations Organisation, etc.

Consulting and IT Services: SWORD commits for the most part to fixed-price contracts and operates with a network of competence centres (business units) in different specialised fields: Geographic Information Systems, ECM/EDM, corporate search engines, digital marketing, CRM, portals and corporate social networks, Data and Business Intelligence, Web and Mobile development, infrastructure and cloud, cyber security, performance and applications optimisation, desktop publishing and intellectual property.

Software: SWORD develops on demand product lines in the Risk and Compliance sectors (SWORD Active Risk and SWORD Achiever), Intellectual Property (SWORD Intellect), Health (SWORD Orizon), Desktop Publishing (SWORD Kami), Predictive Analysis (SWORD Insight) and Asset Finance (SWORD Apak).

To find more about on our expertise, join us on [www.sword-group.com](http://www.sword-group.com)

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### Consolidated Accounts

€M	Q2 <sup>(1) (2)</sup>		
	2016	2015	Growth
Consolidated Revenue	40.3	35.6	+ 14.7%
EBITDA	6.4	5.6	+ 15.4%
EBITDA Margin	16.0%	15.9 %	-

€M	S1 <sup>(1) (2)</sup>		
	2016	2015	Growth
Consolidated Revenue	80.1	67.8	+ 18.2%
EBITDA	12.4	10.5	+ 18.3%
EBITDA Margin	15.5%	15.5 %	-

<sup>(1)</sup> Non audited Figures

<sup>(2)</sup> % calculated from figures in €K.

## ANALYSIS

### Growth

During the first half-year the Group has outperformed in terms of organic growth at constant exchange rates. Organic growth amounted to 17.1% for this period.

The distribution per sector was as follows:

- Software + 15.7%
- Services + 17.8%

### Net cash position

The net cash position to the end of June is €28.1M.

This figure takes account of the €11.3M in dividends paid out during the half-year as well as the €7.2M used for share buybacks and earn-out payments.

The generation of free cash-flow from operations during the same period amounts to €9.4M.

## OUTLOOK

The Group confirms its annual target of 15% of organic growth at constant exchange rates, combined with an EBITDA margin of 15%.