

## 2009 Annual Accounts

### The Group confirms its 2009 results and its 2010 targets

€m	Year	
	2009	2008
Consolidated revenue	180.6	205.7
Current operating profit	32.0	37.0
Operating profit	36.3	33.7
Net profit	22.0	21.3
Attributable profit	21.7	21.0

The 2009 figures are presented after the disposal of the subsidiaries mentioned below.

#### Analysis for 2009

At constant exchange rate and constant perimeter, the organic growth is 5.4%.

The operating margin is 20.1%.

The software portfolio has generated over 60% of the FY2009 pro-forma total group revenue.

The current operating margin is at 25% for Software portfolio and at 9.4% for Services portfolio.

The backlog has increased to 23 months of the FY2010 budgeted revenue (it represented 20.9 months at the end of 2008).

In 2009, Sword Group sold three of its Services subsidiaries in Scotland, Austria and Brazil with combined revenue of €40.5m.

The net equity of the Group is €148.1m and the net cash position is - €80.1m including €5.3m for a potential earn out payable in two years. There are long-term credit lines available to the Group providing additional available funds of €66m.

As a result of this strong financial position Sword Group will declare a dividend of €0.65 per share. This represents an 8.34% increase in the level of dividends and provides a dividend yield of 2.5% compared to the average share price in February.

#### Prospects for FY 2010

Using the 2010 pro-forma revenue of €178m as a baseline, Sword is forecasting:

- 10% organic growth at a constant exchange rate
- 18% operating profitability

Sword is on target to achieve the predicted quarterly sales as per its earlier press announcement.

In 2010 Sword Group will maintain its policy of investing 15% of its annual Software revenue into R&D activities. This investment will not be capitalised.

In 2010, additional specific investments in R&D will be made. The value of these additional projects will be in the region of €2 to €3 million as in the precedent years.

The speed at which different geographical regions and markets are recovering from the economic downturn is variable however Sword is confident that it is well positioned in terms of the European and North American geographies and markets in which it is present, in order to take advantage of the improving economic climate. The revenue generated by Swords US operations will represent 25% of the total group revenue in FY 2010.

#### Sword Group 2009

Organic growth: 5.4 % <sup>(1)</sup>

Current operating margin: 17.7 %

#### Sword Group 2010 Prospects

Organic growth: 10.0 % <sup>(1)</sup>

Current operating margin: 18.0 %

Revenue: €196m

<sup>(1)</sup> at constant exchange rate and constant perimeter

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Founded in 2000  
Founder and Chairman: Jacques Mottard  
Employees: 1,785 (31/12/2009)  
Listed on EURONEXT PARIS  
Compartment B  
ISIN code: FR0004180578  
ICB: 972 Services Informatiques -  
SBF 250 - IT CAC



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