

Sword Group Third quarter performance confirms annual 2009 forecasted figures

€m	Q3		
	2009 ⁽ⁱ⁾	2008 (without STBS ⁽ⁱⁱ⁾)	2008
Consolidated revenue	41.21	40.70	51.81

(i) non audited

(ii) Sword Business Technology Solutions (SBTS) was sold in May, 2009

Analysis

- Organic growth amounted to 4.87% for the first three quarters and to 3.82% in the third quarter. Organic growth should exceed 5.5% in the fourth quarter. Organic growth is calculated on a like-for-like basis with regard to exchange rates and perimeter.
- The backlog amounted to €369m, i.e., 25.9 months, up by 0.7 months since 30 June 2009.
- Current operating margin has remained constant at 17.25% since the start of the year.
- Net profitability YTD came to 11.28%, compared to 9.68% in the first half of the year.

Noteworthy events in the third quarter

- Sword continued to strengthen its core software business globally with a strategic focus on its operations in the United States, namely New York, Chicago, San Francisco and Houston. The company is successfully integrating its software offerings in the US market, increasing sales through both direct and indirect channels to market. Sword's successful growth ambition and software strategy saw the Group being ranked as the 13th largest software company in Europe and 127th globally by Software magazine in September.
- The company continues to closely monitor its cost base and will continue to realise saving through the consolidation of operations where efficiencies can be gained and disposals of non core businesses. In the current quarter Sword has reduced the cost base in Bermuda and Ireland with staff relocated to larger neighbouring hubs. Q3-2009 saw the disposal of our services operation in Austria through the process of MBO.
- The turnover removed from the sold entities amounts to €2m. All associated restructuring costs have already been recognised in the income statements.

Outlook

The group has confirmed its 2009 targets for both turnover and profitability.

Fourth-quarter profitability, in the region of 18%, will ensure annual profitability at 17.40% for 2009.

Summary of income statements:

€k	YTD 2009	YTD 2008
Revenue	139,707	155,967
Current operating profit	24,099 (17.25%)	27,607 (17.70%)
Net consolidated profit	15,761 (11.28%)	18,117 (11.62%)
Net attributable profit	15,435 (11.05%)	18,025 (11.56%)

Sword Group Q3 2009 ⁽ⁱ⁾

Consolidated Revenue: €41.21m

Organic Growth:

- 3.82% in the third quarter
- > 5% over 2009

Current operating margin: 17.25%

Net profitability significantly higher than the first half of 2009

Solid backlog confirmed

Annual targets confirmed

⁽ⁱ⁾ non audited

Investor Relations

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Founded: December 2000
 Founder and Chairman: Jacques Mottard
 Employees: 1,655 ⁽¹⁾ (30/09/09)
⁽¹⁾ after Austria disposal
 Stock Information
 EURONEXT PARIS - Compartment C
 ISIN code: FR0004180578
 ICB: 972 IT Services - SBF 250 - IT CAC



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