

2017 Fourth Quarterly Results Outperformance in terms of:

Revenue: €46.3 M

EBITDA margin: 17.6%

Organic Growth at constant perimeter and
constant exchange rates: + 14.3%

Windhof - January 25th 2018,

€M	Q4 ^{(1) (3)}		Consolidated Growth ^{(1) (3)}	Organic Growth ^{(1) (2) (3)}
	2017	2016		
Revenue	46.3	40.3	+ 14.9%	+ 14.3%
EBITDA	8.1	6.4	+ 26.6%	-
EBITDA Margin	17.6 %	15.9%	-	-

€M	Year ^{(1) (3)}		Consolidated Growth ^{(1) (3)}	Organic Growth ^{(1) (2) (3)}
	2017	2016		
Revenue	173.5	160.2	+ 8.3%	+ 13.0%
EBITDA	27.8	24.9	+ 11.6%	-
EBITDA Margin	16.0%	15.5%	-	-

⁽¹⁾ Non audited figures - ⁽²⁾ On a like-for-like basis and at constant exchange rates - ⁽³⁾ Percentages calculated from figures in €.

YEAR ANALYSIS

The Group exceeded its 2017 budget targets.

Services Division:

The Group bolstered its offering in new and promising technological sectors such as:

- Machine Learning,
- Content Services,
- Investigation.

Software Division:

The Group maintains its leading international position in both Wholesale Finance & Floorplanning System market and in National Offices of Trademark and Patent market.

Note the current transition from GRC activities to a SaaS model.

ANNUAL GROWTH

Organic growth in 2017 on a like-for-like basis and at constant exchange rates amounts to +13%.

In sector terms, growth in each division came to:

- Software: + 6.9%
- Services: + 15.5%

The transition of GRC activities from a licensing model towards a SaaS model generated, in the short term, a 19% revenue reduction for the division at constant exchange rates and increased its backlog.

The remainder of the activity posted an 18% growth rate.

EVENT CONCERNING THE SCOPE

In the last quarter, the Group acquired two Services entities in the U.K. with pro forma revenue of €6.8M.

Revenue from these entities, acquired at the end of the year, is not included in the calculation of organic growth.

Both companies were consolidated on October 1st and contribute €0.4M to the consolidated EBITDA.

OUTLOOK

The Group forecasts 12% organic growth for 2018, on a like-for-like basis and at constant exchange rates, along with an EBITDA margin of approximately 15%.

[Methodological note]

Regarding the definition of the alternative performance indicators published above, their justification and the calculation methods for the latter, please refer to the relevant methodological note (section 1.9 of the Management Report, pages 4 and 5) as published in the half-year report at 30 June 2017. To access the half-year report please click [HERE](#).

Sword Group Q4 2017 ^{(1) (3)}

Organic Growth at constant perimeter and
constant exchange rates: 14.3%

EBITDA Margin: 17.6%

Sword Group 2017 ^{(1) (3)}

Organic Growth at constant perimeter and
constant exchange rates: 13.0%

EBITDA Margin: 16.0%

⁽¹⁾ non audited figures

⁽³⁾ Percentages calculated from figures in €.

SFA F Meeting

March 8th at 10am in Paris

Investor Relations

✉ investorrelations@sword-group.lu

Sword Group

2 000* staff

Listed on Euronext Paris - Compartment B

ISIN Code: FR0004180578

ICB: 9530 Logiciels & Services Informatiques

Indices

CAC® Small

CAC® Mid & Small

CAC® All-Tradable

CAC® All-Share

About Sword Group

Sword has 2,000+ 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 our expertise, join us on www.sword-group.com

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