

## FINANCIAL RESULTS FOR THE SIX MONTHS ENDED 30TH JUNE 2008

**Strong profitability during 2008 with excellent outlook for 2009**

€K	H1-2008	H1-2007
Revenue	104 153	86 430
Current operating profit	18 832	13 846
Operating profit	18 090	13 848
Net profit	13 171	8 791
Net attributable profit	13 001	8 647

### Analysis of the First Semester in 2008

SWORD TECHNOLOGIES the group's Belgian subsidiary has recovered well and is returning to levels of profitability expected by the group more quickly than predicted. Organic growth of 15.7% is outperforming the budgeted level of organic growth of 15.0%.

Excluding SWORD TECHNOLOGIES and exchange rate fluctuations, the organic growth would be 20.0%.

The group operating profit of 18.1% has outperformed the budgeted operating profitability of 16.5%. The breakdown of the profitability by sector is:

- 26.4% for the software sector,
- 11.6% for the solutions sector.

The high levels of operating profit are due mainly to the exceptional performance of the software sector.

In the first half year the software sector has generated 44% of the group's consolidated revenue and 47% of the group's pro forma revenue (including the 1st quarter contribution made by Sword ciboodle, formerly Graham Technology).

### Outlook for 2008 - 2009

Sword Group confirms:

- FY2008 profits of over €36m at current exchange rates,
- The continued evolution from a service to a software organisation. At the end of 2009 the revenue trend generated by the software sector is expected to be in the region of 80% of the total group's revenue.

Going forwards it is SWORD's intention to concentrate its efforts on increasing the levels of organic growth rather than concentrating on the profitability margins as these are already well above the market norms.

The acquisition strategy will concentrate on Anglo-Saxon companies in niche markets with products which are complementary to our current product portfolio as per our "Build Out" strategy. This strategy will be presented at the next SFAF meeting which will take place on September the 10th at 10am at the Palais Brongniart in Paris.

## SWORD GROUP

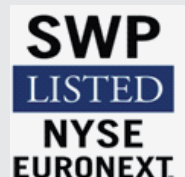
- Consolidated revenue: **€104.2m**
- Consolidated growth: **20.5%**
- Current operational margin: **18.1%**
- Net margin after tax: **12.6%**  
Absolute increase of **50%** on the prior year



Founded in December 2000  
Founder and Chairman:  
Jacques MOTTARD  
Employees: 2,016 (30/06/08)

Stock Information  
EURONEXT PARIS  
Compartment B  
ISIN code: FR0004180578  
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