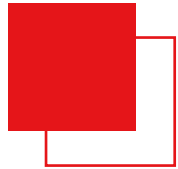


# 2008 Annual Results Presentation

February 13, 2009

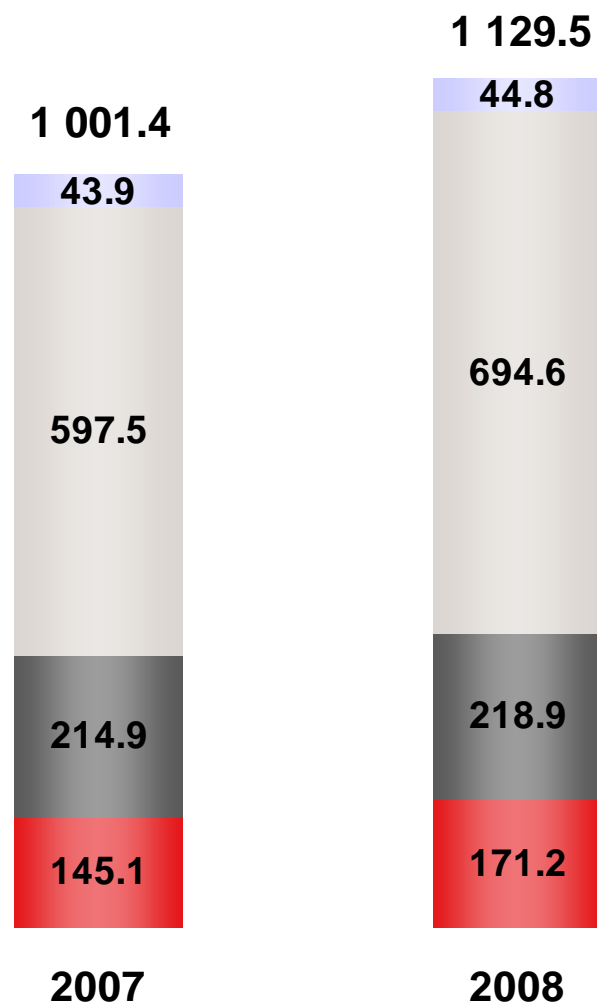


# Agenda

- **2008 Achievements**
- **Complementary Information**
- **2008-2009 Context and Priorities**
- **Outlook**



## Revenue (€m)



Growth:	Full Year	Q4
Total	+12.8%	+11.4%
Organic	+10.5%	+7.6%

Organic Growth	2008
Management Consulting	+ 2.1%
SSI* France	+ 14.2%
SSI* Europe	+ 2.6%
Axway	+ 9.4%

\*SSI: Systems & Solutions Integration



# Income Statement

	31/12 2008		31/12 2007		% Change
	€m	%	€m	%	
<b>Revenue</b>	<b>1,129.5</b>		<b>1,001.4</b>		<b>+12.8%</b>
Staff costs - Employees	-721.8		-647.9		+11.4%
Staff costs - Contractors	-97.6		-80.7		+20.9%
Operating expenses	-193.8		-167.4		+15.8%
Depreciation, amortisation and provisions	-14.0		-14.6		-4.1%
<b>Profit from recurring operations</b>	<b>102.3</b>	<b>9.1%</b>	<b>90.8</b>	<b>9.1%</b>	<b>+12.7%</b>
Amortisation of allocated intangible assets	-1.4		-		
Other operating income and expenses	-1.2		-0.7		
<b>Operating profit</b>	<b>99.7</b>	<b>8.8%</b>	<b>90.1</b>	<b>9.0%</b>	
Net cost of financial debt	-9.9		-7.8		
Net financial expense	-3.3		-2.0		
Corporate income tax	-28.3		-25.2		
<b>Net profit</b>	<b>58.2</b>	<b>5.2%</b>	<b>55.1</b>	<b>5.5%</b>	



## Operating Profit by Division

<i>(in millions of euros)</i>	2008			2007		
	Revenue	PRO**	% Margin	Revenue	PRO**	% Margin
Management consulting	44.8	2.3	5.1%	43.9	4.5	10.3%
SSI* France	694.6	61.6	8.9%	597.5	52.3	8.8%
SSI* Europe	218.9	18.2	8.3%	214.9	19.5	9.1%
Axway	171.2	20.2	11.8%	145.1	14.5	10.0%
<b>Total Group</b>	<b>1,129.5</b>	<b>102.3</b>	<b>9.1%</b>	<b>1,001.4</b>	<b>90.8</b>	<b>9.1%</b>

*\*SSI: Systems & Solutions Integration*

*\*\*PRO: Profit from recurring operations*



# Balance Sheet

€m	31/12 2008	31/12 2007
Goodwill	372.7	300.6
Allocated intangible assets	26.4	-
Other fixed assets	41.0	42.2
<b>Assets</b>	<b>440.1</b>	<b>342.8</b>
Trade accounts receivable (net)	401.9	359.0
Other assets and liabilities	-375.5	-322.7
<b>Operating assets and liabilities</b>	<b>26.4</b>	<b>36.3</b>
<b>ASSETS + WCR</b>	<b>466.5</b>	<b>379.1</b>

€m	31/12 2008	31/12 2007
Equity	268.3	248.8
Net financial debt	198.2	130.3
<b>CAPITAL INVESTED</b>	<b>466.5</b>	<b>379.1</b>



## Equity

	M€
<b>Position at 31 December 2007</b>	<b>248.8</b>
Dividends	- 19.3
Net profit - Group share	58.2
Capital increase through exercise of share subscription options	0.8
Acquisition or disposal of treasury shares	- 0.6
Share-based payments	0.2
Actuarial differences	- 1.1
Change in financial instruments	- 1.8
Translation adjustments	- 16.2
Other movements	- 0.7
<b>Position at 31 December 2008</b>	<b>268.3</b>



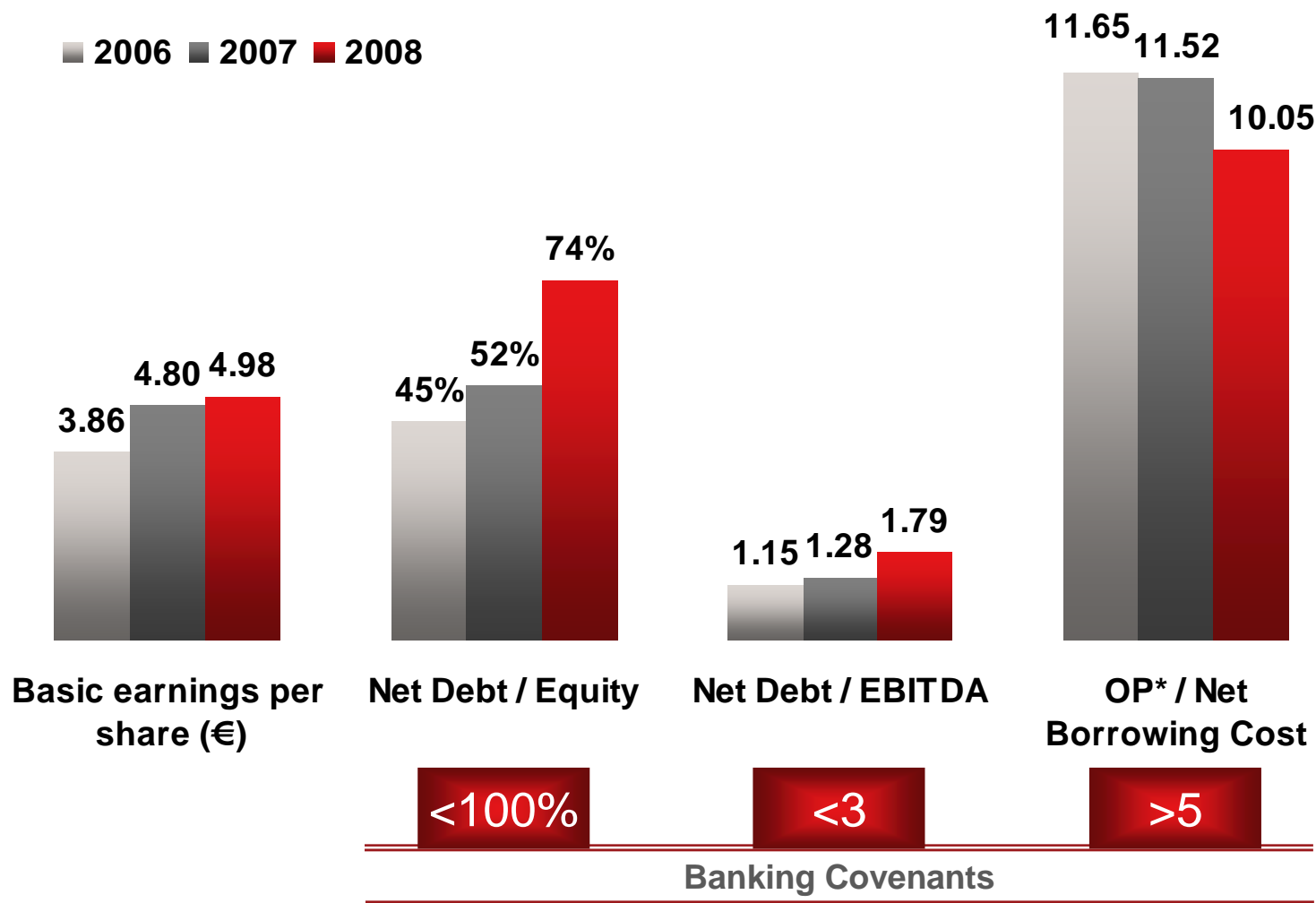
## Change in Net Debt

€m	2008	2007
<b>Net debt at beginning of period (A)</b>	<b>130.3</b>	<b>97.7</b>
Cash from operations before changes in working capital	108.4	104.6
Income taxes paid	-29.3	-38.2
Changes in working capital requirements	-2.8	-14.7
<b>Net cash flow from operating activities</b>	<b>76.3</b>	<b>51.7</b>
Net cash used in investing activities	-12.7	-13.8
Net interest paid	-10.7	-7.9
<b>Free cash flow</b>	<b>52.9</b>	<b>30.0</b>
Impact of changes in consolidation scope	-101.6	-49.2
Dividends paid	-19.3	-15.5
Capital increases in cash	0.8	4.8
Other changes	-	-2.5
<b>Total net change for the period (B)</b>	<b>-67.2</b>	<b>-32.4</b>
Effect of foreign exchange rate changes (C )	-0.7	-0.2
<b>Net debt at period-end (A-B+/-C)</b>	<b>198.2</b>	<b>130.3</b>

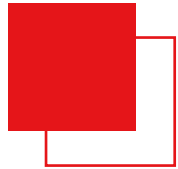




# Financial Ratios



\*OP: Operating Profit

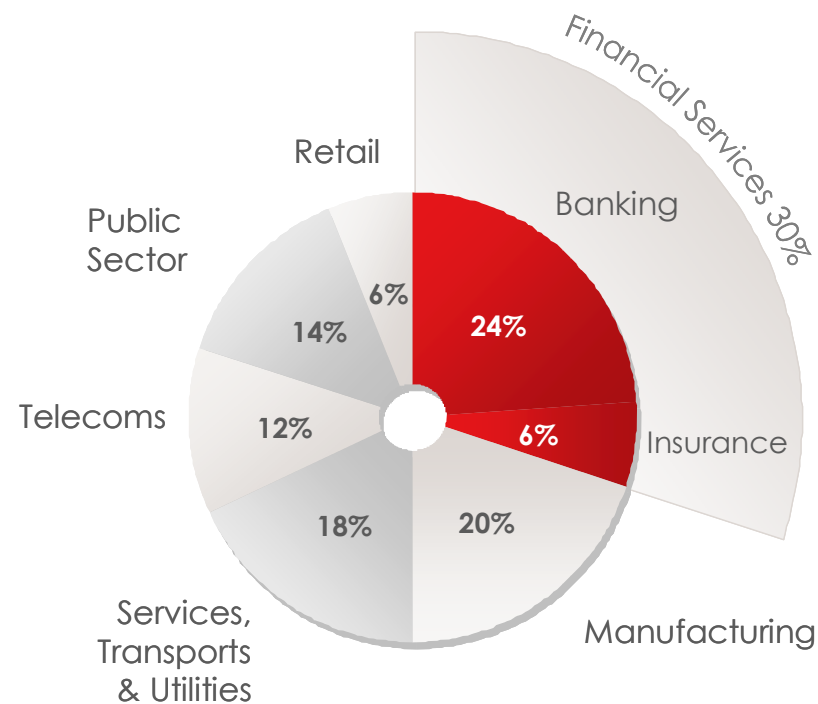


# Agenda

- 2008 Achievements
- **Complementary Information**
- 2008-2009 Context and Priorities
- Outlook

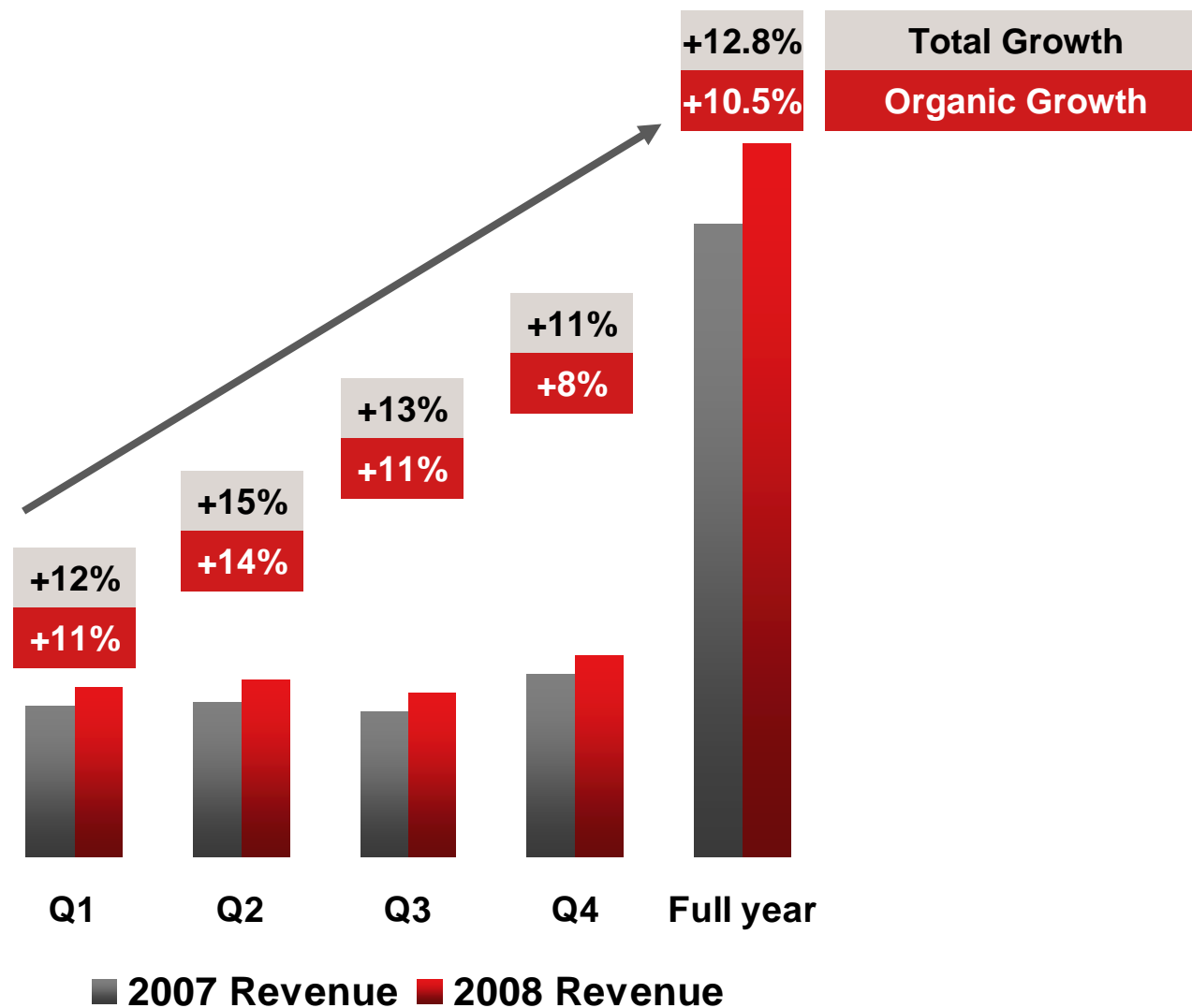


# Business Sector & Vertical Market Positioning



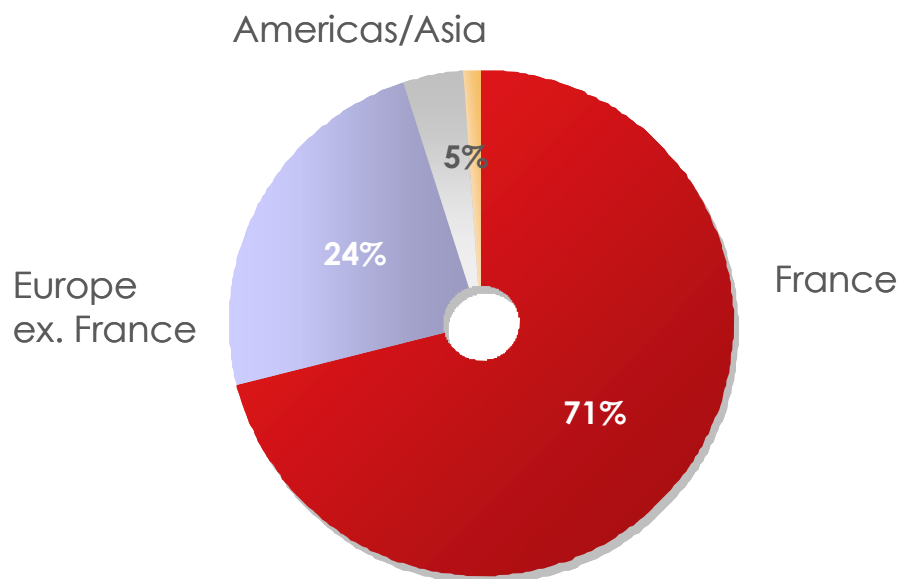


## Breakdown of 2008 Growth

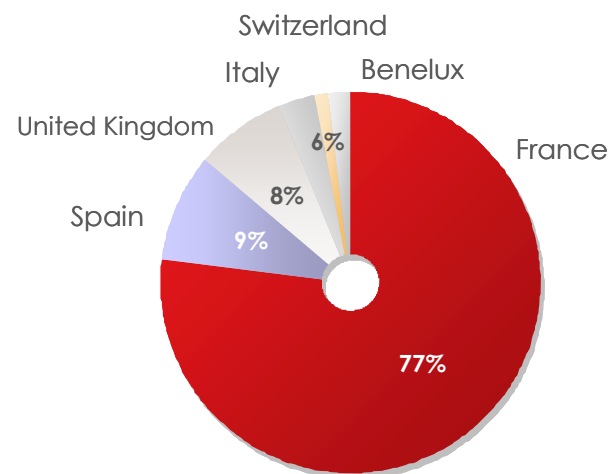




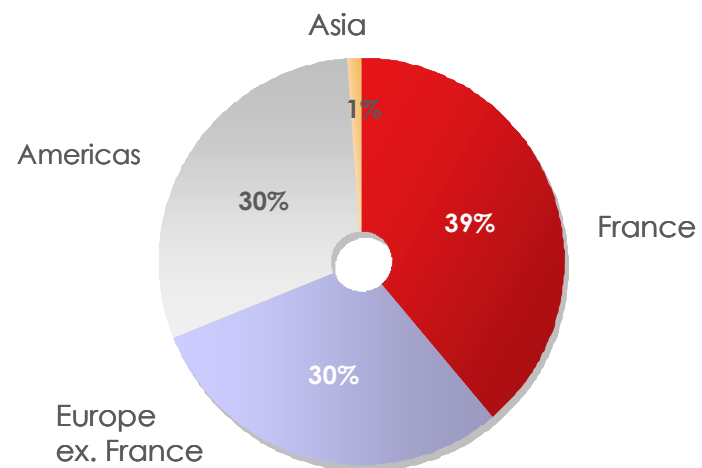
## 2008 Revenue by Region



**Group Revenue**



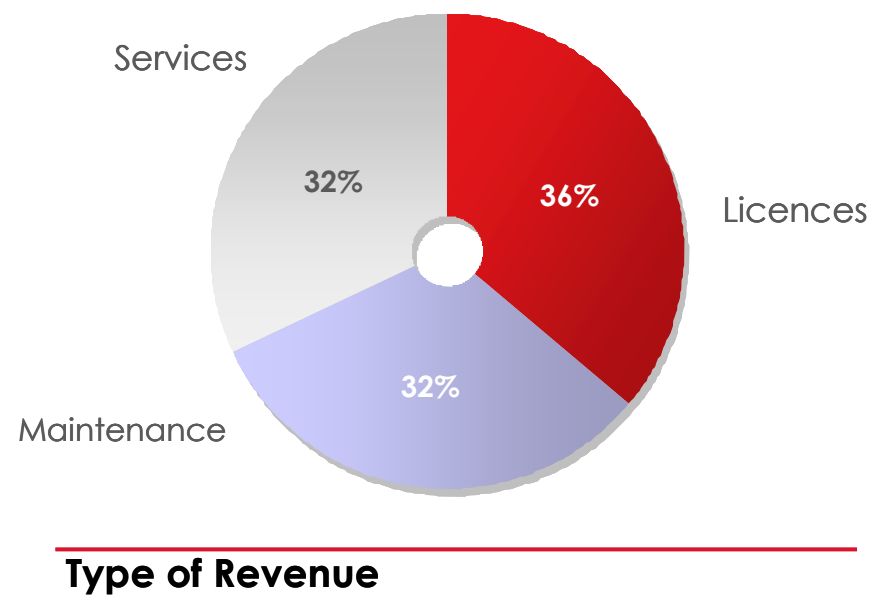
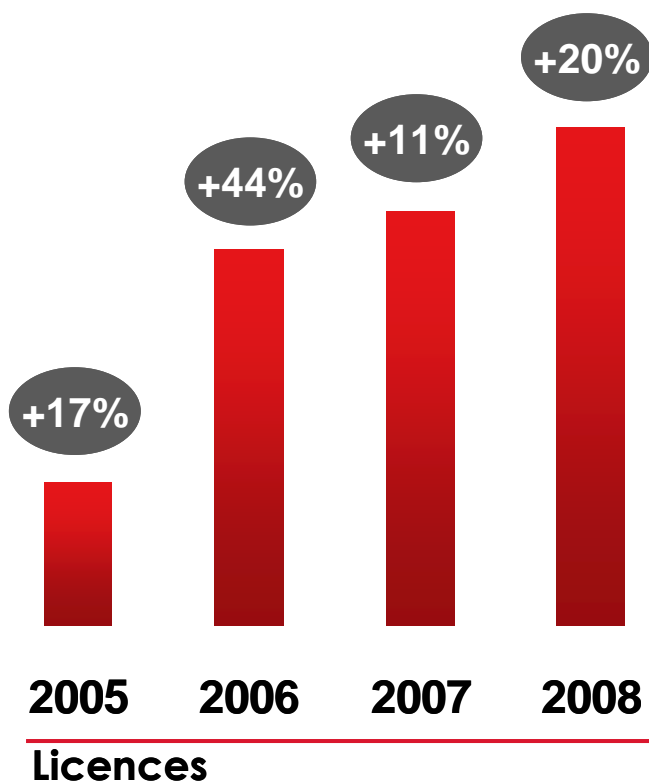
**CSSI Europe Revenue**



**Axway Revenue**

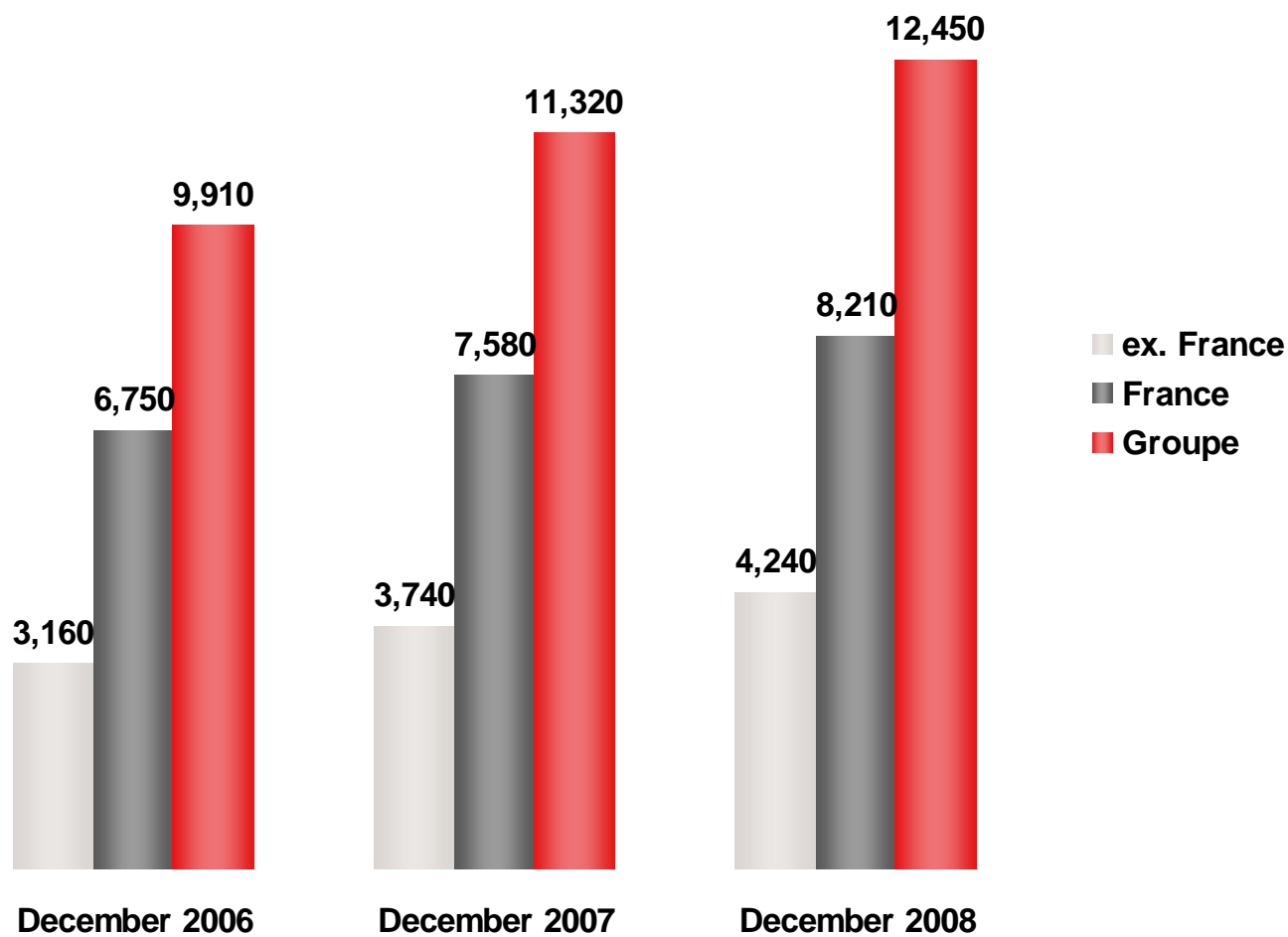


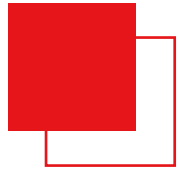
## Axway: Focus on Revenue





## Change in Workforce (excluding contractors)

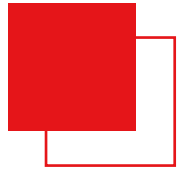




# Agenda

- 2008 Achievements
- Complementary Information
- **2008-2009 Context and Priorities**
- Outlook





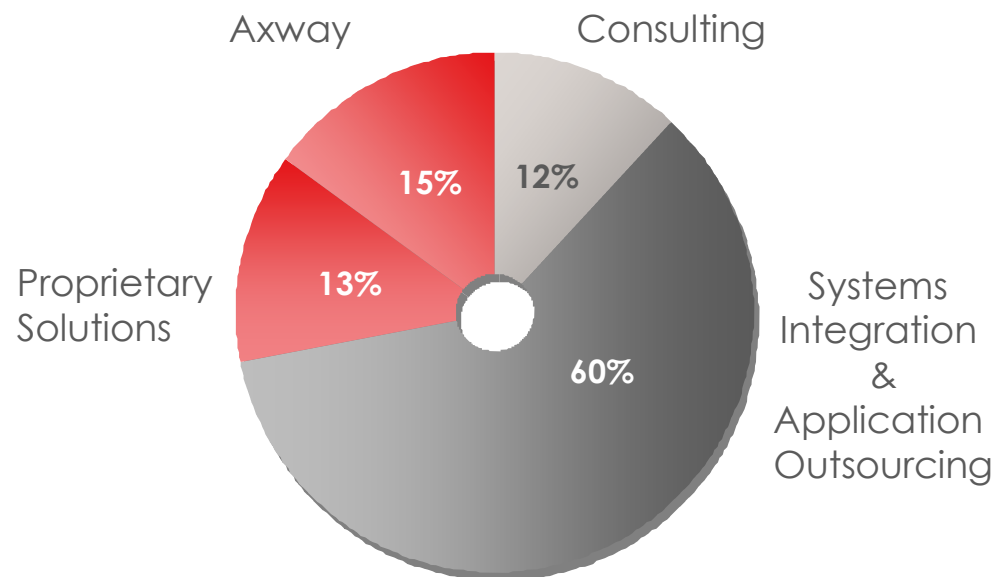
## Objectives set in early 2008

- Organic growth outstripping that of the IT services market average
- Operating margin improvement
- Business model confirmed
- Pursuit of our major transformation projects



# Business Model Confirmed

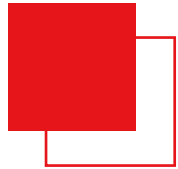
- 4 large, separately identified divisions with high potential margins, capitalising on our current savoir-faire





# Pursuit of major transformation projects

- **Industrialisation**
- **Offerings, partnerships, key client accounts**
- **Banking Solutions: a European ambition**
- **Consulting: reinforce our positions**
- **European subsidiaries: amplify the success**



# Industrialisation

## ■ En 2008

- Transformation of the project leader role and career
- Continued progress on methods, tools and processes
- Service Centres
- Global Project Management
- Capex 10M€ and Opex 7M€ in 2008

## ■ En 2009

- Goals and objectives maintained and managed pragmatically to grow the Group's competitive advantage



# Industrialisation

## Service Centres / Xshore



Rodez



Madrid



Noida



Onshore

Nearshore

Offshore

Axway

City	Staff	Markets addressed
Lille / Tourcoing	250	Regional
Aix-en-Provence	150	Regional
Toulouse / Albi	400	Regional
Rennes / Nantes	300	Telecoms
Montreuil	300	Public Sector
Bordeaux	100	Regional
<b>subtotal France</b>	<b>1500</b>	
Rodez	150	Banking Solutions
Annecy	150	Banking Solutions
Paris / Nantes	100	Banking Solutions
Lyon (Madrid)	150	Real Estate Solutions
Paris / Annecy	100	HR Solutions
<b>subtotal Solutions</b>	<b>650</b>	
Madrid	200	France: Telecoms, Public Sector, Regions
Casablanca	50	France: Banking
Noida (Delhi)	600	France & UK: Telecoms, Manufacturing -- Axway
<b>subtotal Near/Offshore</b>	<b>850</b>	
Phoenix / Paris	100	Strategic Marketing & Solutions Marketing
Paris, Annecy, Phoenix, Redwood	350	R&D
City, Berlin, Sofia, Bucharest, Noida	250	Maintenance
<b>subtotal Axway</b>	<b>700</b>	
<b>TOTAL</b>	<b>3700</b>	



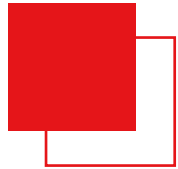
# Industrialisation

## Objectives

- Onshore and offshore positioning adapted to demand
- Long term goal, 15% to 20% of staff offshore, a ratio which corresponds to our Business Model

	End 2008	End 2009
Offshore staff	1,200	1,900
% of staff offshore	10%	15%

- Teams reinforced when necessary by partnerships with Indian IT services companies (recent examples: Mindtree and Wipro)
- Activities eligible for offshore production
  - Systems integration, including testing and customised developments
  - Application management
  - R&D
  - Support



# Offerings, Partnerships, Key Client Accounts

- **2008 – Strong growth**
  - In application outsourcing
  - With key accounts
  - In the Xnet, Oracle and SAP domains
- **2009 – Renew concentrated efforts**
  - Application outsourcing
  - Internationalisation of key client accounts
  - Concentration on sectors and clients with strong growth potential



# Banking Solutions

- **2008 – Set up of software developer model for Evolan**
  - Credits
  - Payments
  - Risks and Reporting
  - Retail banking
- **2009 – Gain leverage**
  - Leverage the Group's positioning in the banking sector by developing an approach that covers a broad spectrum



- Amplify investments in product R&D





# Consulting

## ■ 2008

- Orga Consultants – Management Consulting
- Business Consulting – Sector-specific Consulting, Solutions, Technology
- Increase added-value for the Group

## ■ 2009

- Operational integration of teams to build up a wide-ranging offering





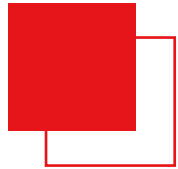
# European business units

## ■ 2008

- Good performance in a very difficult market context
- Management transition

## ■ 2009

- Operational and structural integration carried out fully for the European subsidiaries
- Offerings
- Key client accounts
- Industrialisation
- Tightened operational management



## 2009 Context

- **For clients, IT systems have become mission-critical tools for performance, flexibility and innovation**
- **IT services companies have evolved**
  - Industrialisation and Offshore
  - Outsourcing
- **The crisis limits visibility and confidence**
  - It is major and profound
  - But probably limited in time



# Resilience: Sources of sustainable growth

- **Obligatory investments**
  - Compliance
  - Deregulation
  - Mergers/Restructuring
  - IS Rationalization
- **New innovation projects**
  - E-commerce
  - Embedded computing
  - Mobility
  - Government reform
  - Business intelligence
  - Etc.
- **Outsourcing**
  - Applications
  - Infrastructure

## Focus on Axway



# A global objective for Axway

## ■ Ambitions in 2008

- State of the art platform
- Distribution system re-aligned
- Acquisitions
- Growth and margin improvement

## ■ State of affaires today

- Progression on the platform and the distribution network
- Acquisition of Tumbleweed rolled out smoothly
- Achievement of growth and margin improvement objectives

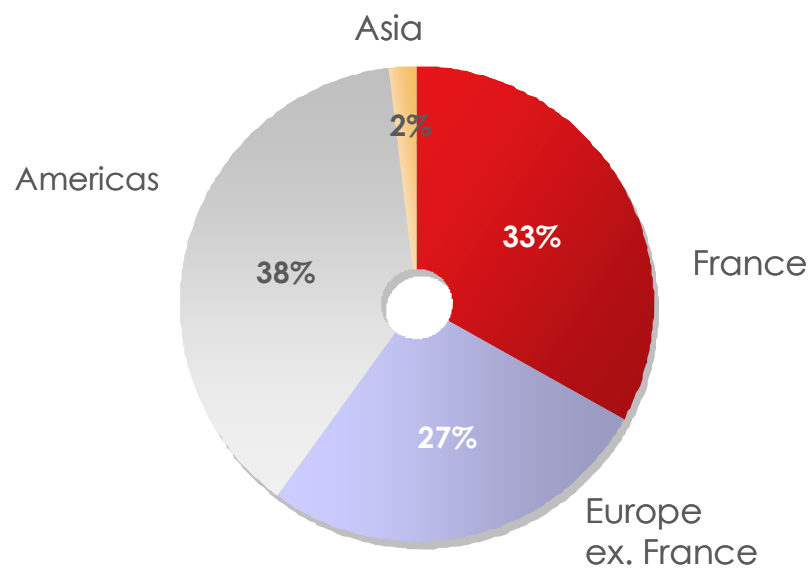
## ■ Autonomy for Axway targeted for late 2009/early 2010



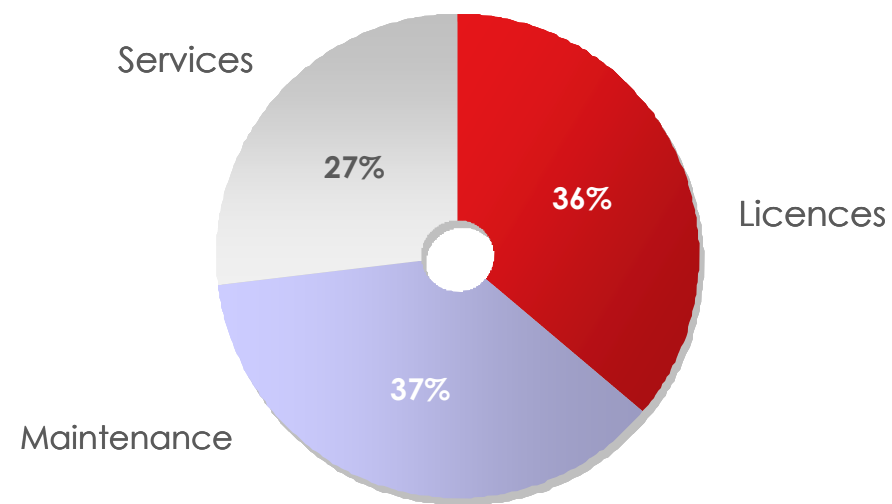
## Business profile - Axway



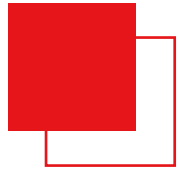
\*N.B.: 1€ = 1\$



**Regions\***



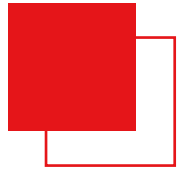
**Type of Revenue\***



# Agenda

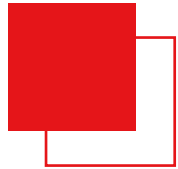
- 2008 Achievements
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# Independent company project continues

- **Strategic decisions confirmed**
  - For businesses and offerings
  - For vertical and geographic positioning
- **Financial objectives and deadlines associated with Group long-term project will be restated when the worst of the crisis is over**



# Outlook 2009

- A very difficult year ahead
- Growth dependant on the global economy
- Very sound management of the business
  - All decisions necessary for crisis management taken in September 2008
- Focus on protecting the operational margin

# Questions