

# Investors meeting – first half-year 07/08



Alain Di Crescenzo - Chairman & CEO  
April 4th, 2008

The Electrical Computer-Aided Design Specialist dedicated to  
Electrical Engineering, Systems and Industrial Fluids.



# Agenda



- I. Company profile
- II. Organization
- III. Fiscal year 2007/2008
  - Highlights
  - Financials
- IV. The fundamentals of IGE+XAO's strategy
  - 3 markets / 3 levels of commercial offer
  - International presence
  - Innovation
  - An efficient and cost-optimized organization
  - Mixed growth model
- V. Conclusion

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## Overview

- 21 years of experience,
- Listed since march 1997,
- 336 employees,
- 21 branches in 14 countries,
- Only one business since IGE+XAO creation,  
CAD Editor dedicated to:
  - Electrical engineering,
  - System design.



## Market Context

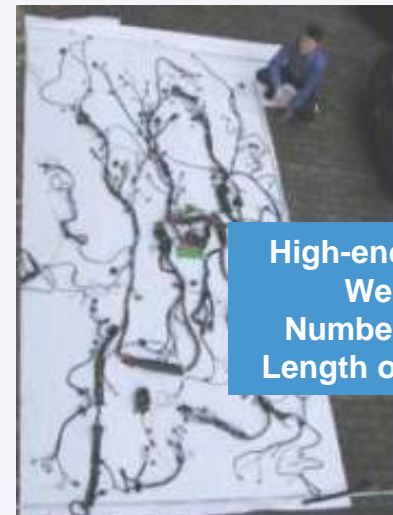
- **Building & Residential context**

- Only for the French market :
  - 40 000 electrical contractors,
  - 28% of installations don't meet safety standards,
  - 8% are dangerous.



- **Automotive**

- A car nowadays represents:
  - 30 to 100 control units,
  - 2 to 4 kilometers of wires despite bus-systems,
  - 35 to 70 kilos of wires.



**High-end car assembly**  
**Weight : 64kg**  
**Numbers wires : 2110**  
**Length of wires : 3860 m**



## Market Context

- **Aerospace: why electrical is critical & strategic ?**
- Electrical is the end of the process...cabling takes place after:
  - structure,
  - assembly of the equipments and mounting brackets.
    - Any delay in one of these operations means delay in wiring.
- Weight optimisation + inflation of options proposed:
  - each aircraft has a different cabling.
- Inflation of the number of electrical equipments:
  - Electrical power available in planes has been multiplied by 4 over the past 20 years.
  - A long range airliner contains:
    - more than 250 km of cables, representing more than 2.5 tons,
    - more than 10 000 connectors.
  - A regional jet contains 60 different types of cables measuring > 70 km.
  - Small helicopter have approx. 20 000 wires measuring around 30 km.
- Important security constraints.



# Market Segmentation



- Industrial machinery,
- Equipment & automation,
- Power generation,
- Shipbuilding.



- Aircraft,
- Automotive,
- Railway equipments,
- Consumer goods.



- Building,
- Chemistry.

# Market Segmentation

# IGE+XAO software portfolio



- Industrial machinery,
- Equipment & automation,
- Power generation,
- Shipbuilding.



- Aircraft,
- Automotive,
- Railway equipments,
- Consumer goods.



- Building,
- Chemistry.



Film HD



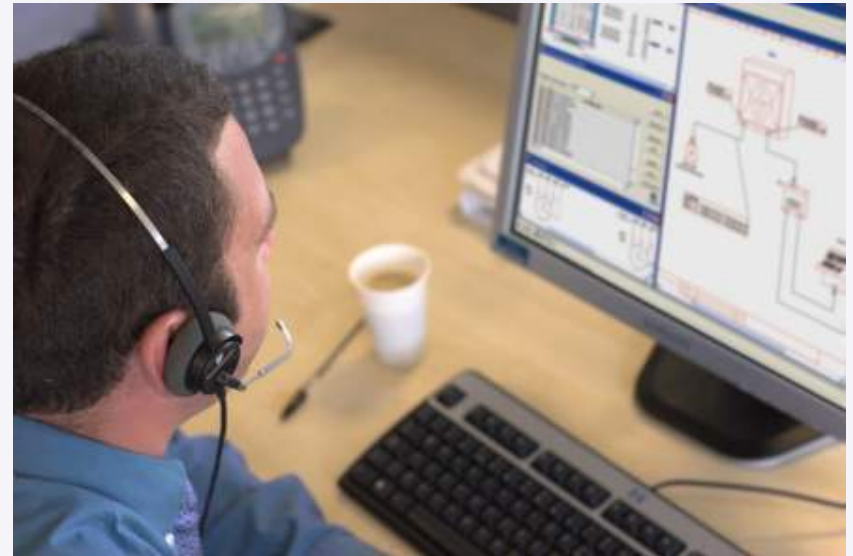
Film M@x



# IGE+XAO service portfolio: offering more than traditional training & support



- Integration,
- Specific developments,
- On site support,
- Consulting services,
- ...

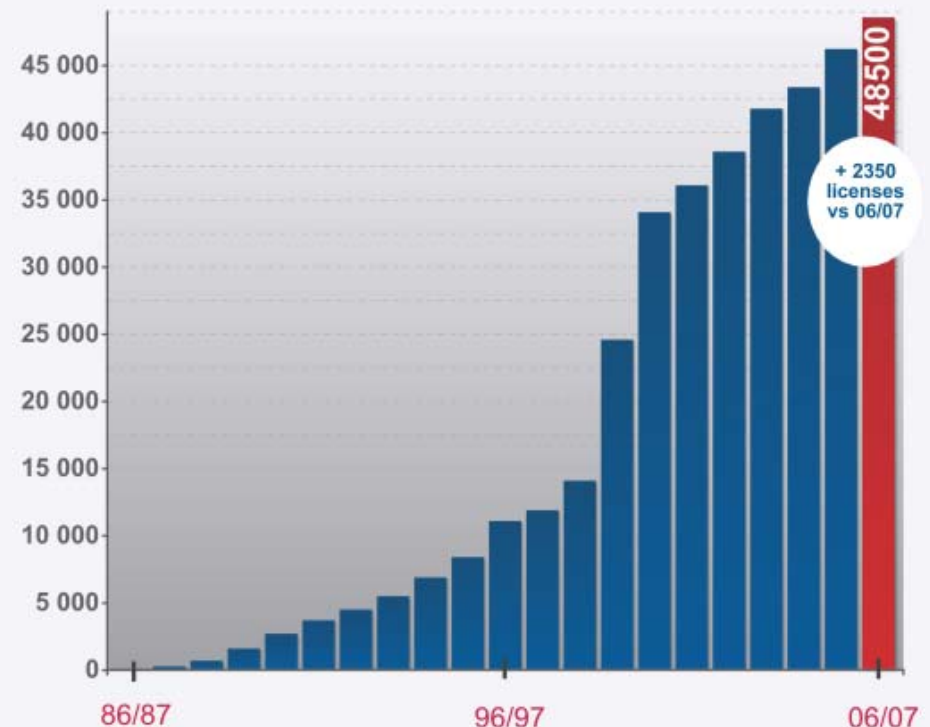


## Number of licenses and of customers

12 months figures

- Nb. Customers as of July 31st 2007
  - 15 000 in France
  - 11 000 out of France
  - 2 000 Education

Number of licenses sold  
per fiscal year - on July, 31st



# Customers

- Over 48,500 seats and numerous key accounts.

## Automotive industry



PSA Peugeot Citroën, Renault, Volkswagen, Heuliez, Michelin, Valeo, Renault Trucks, COMAU (Fiat), Dunlop, Faurecia, Bombardier RP ...

## Transportation



Airbus, Eurocopter, Embraer, Thales, Northrop Grumman, Socata, Air France-KLM, Safran, Latélec, MBDA, ADP, SAGEM, Alstom, DCNS, RATP, STM, SNCF, Matra Transport, Galileo Avionica, Sagem Défense, Honda Jet, Shanghai Electric ...

## Power generation



CEA, Areva, Hydro Quebec, EDF, GDF ...



## Electrical and electronic equipments

Schneider Electric, Moëller Electric, ABB, Motorola, Sagem, Philips, Siemens, Legrand, Bosch, Kodak, Schlumberger, Carrier, CAE, Mechtronix Systems...



## Food, chemical, steel industries

Pechiney, Arcelor, Vallourec Talc de Luzenac, Beghin-Say, Boursin, Danone, Nestlé, Lindt, Perrier, Haribo, LVMH ...



## Building and public works

Bouygues, CGE, Suez, Saur ...



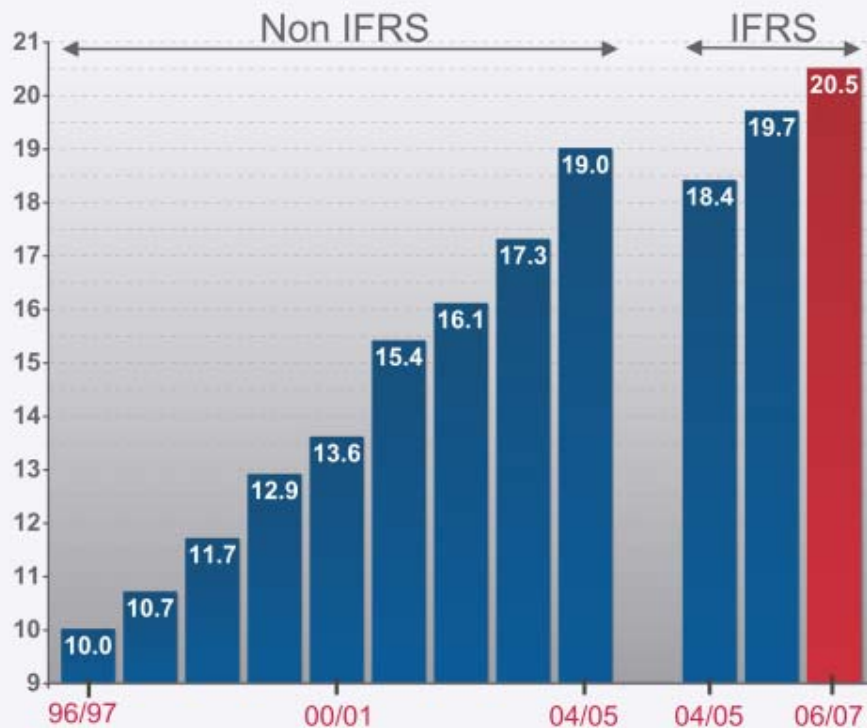
## Engineering companies

Labinal, Fokker Elmo, Latelec, Cegelec, Ineo, Forclum, Vinci Energies, Amec-Spie ...

# Turnover and Operating Income

12 months figures

Global turnover (in M €)  
per fiscal year - on July, 31st



Operating income (in M €)  
per fiscal year - on July, 31st

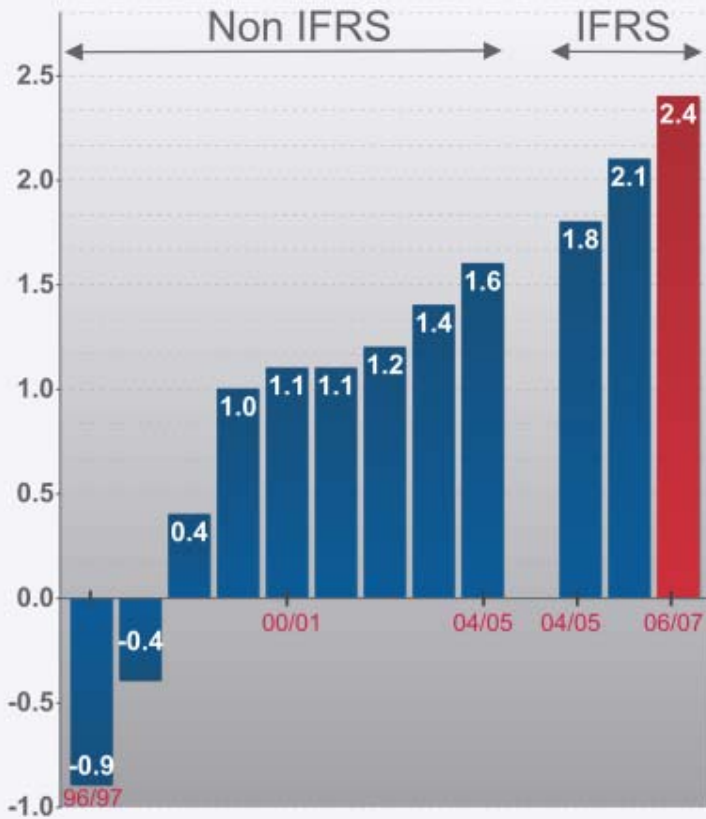




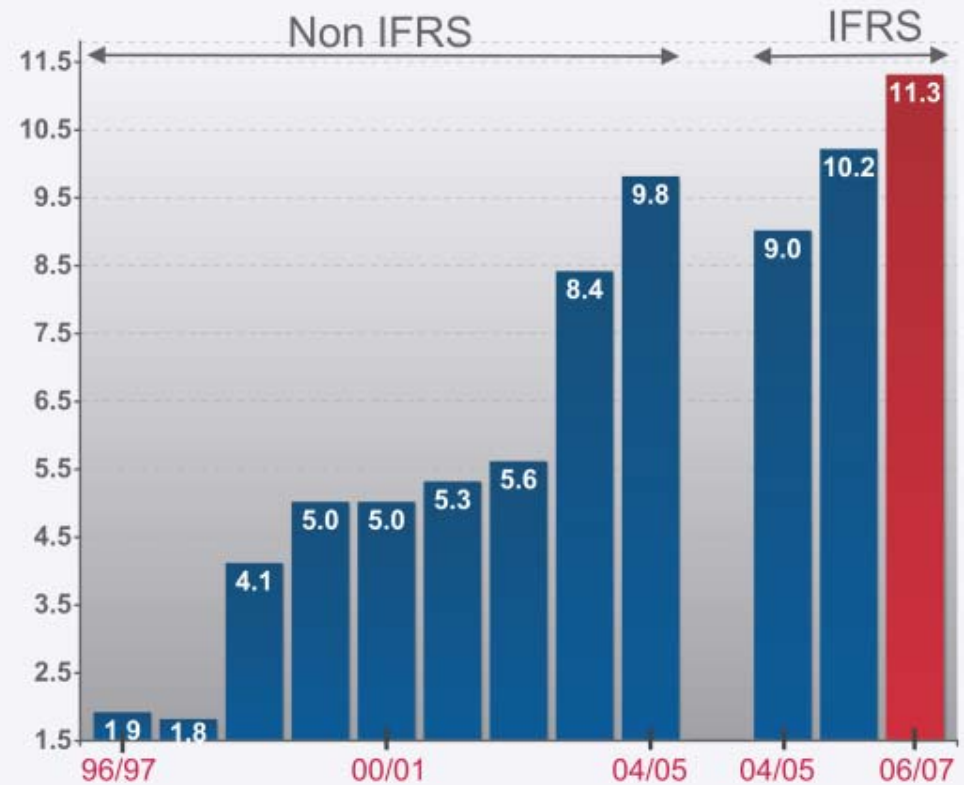
# Net income and Cash

12 months figures

Net income (in M €)  
per fiscal year - on July, 31st



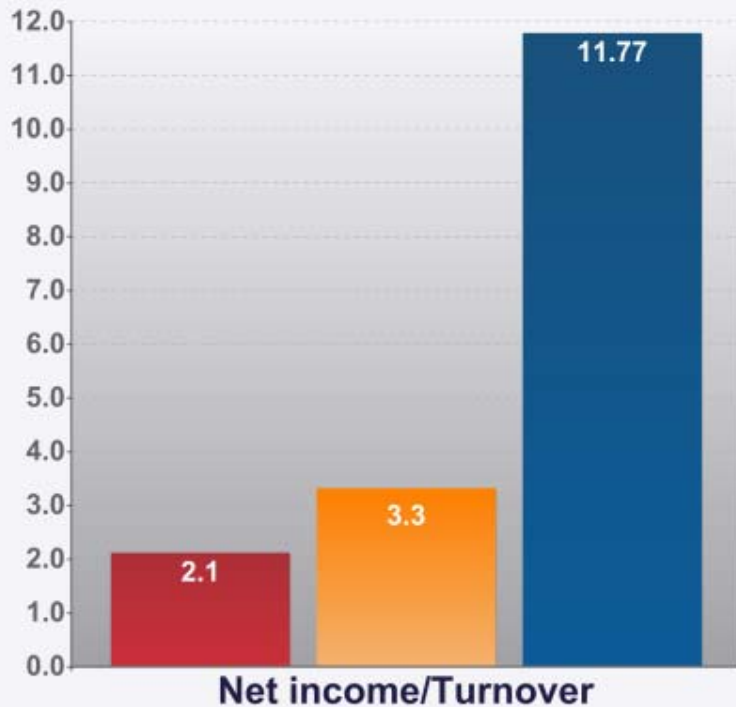
Cash (in M €)  
per fiscal year - on July, 31st



# Profitability: benchmark IGE+XAO vs Midcaps

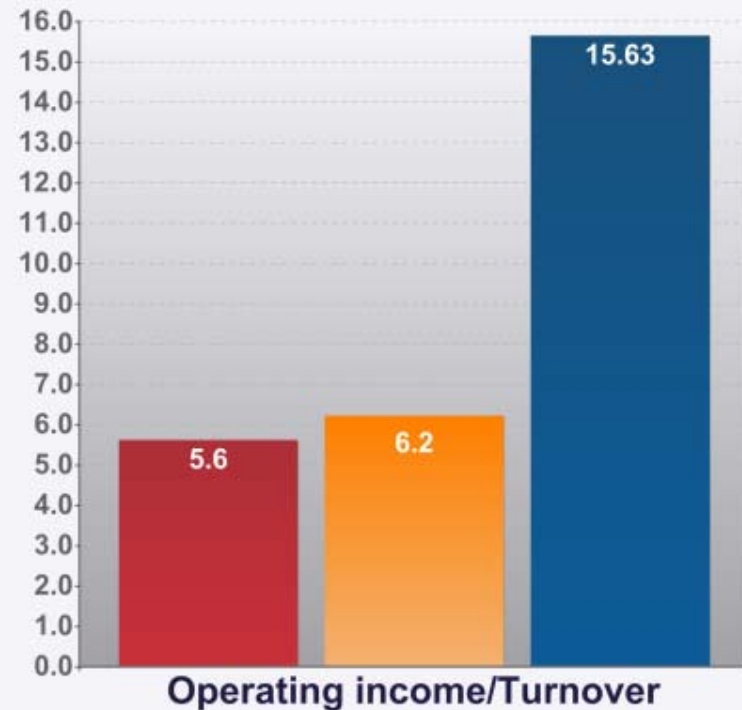
Profitability ratios 2006 (%)

■ All Midcaps ■ IT Midcaps ■ IGE+XAO



Profitability ratios 2006 (%)

■ All Midcaps ■ IT Midcaps ■ IGE+XAO

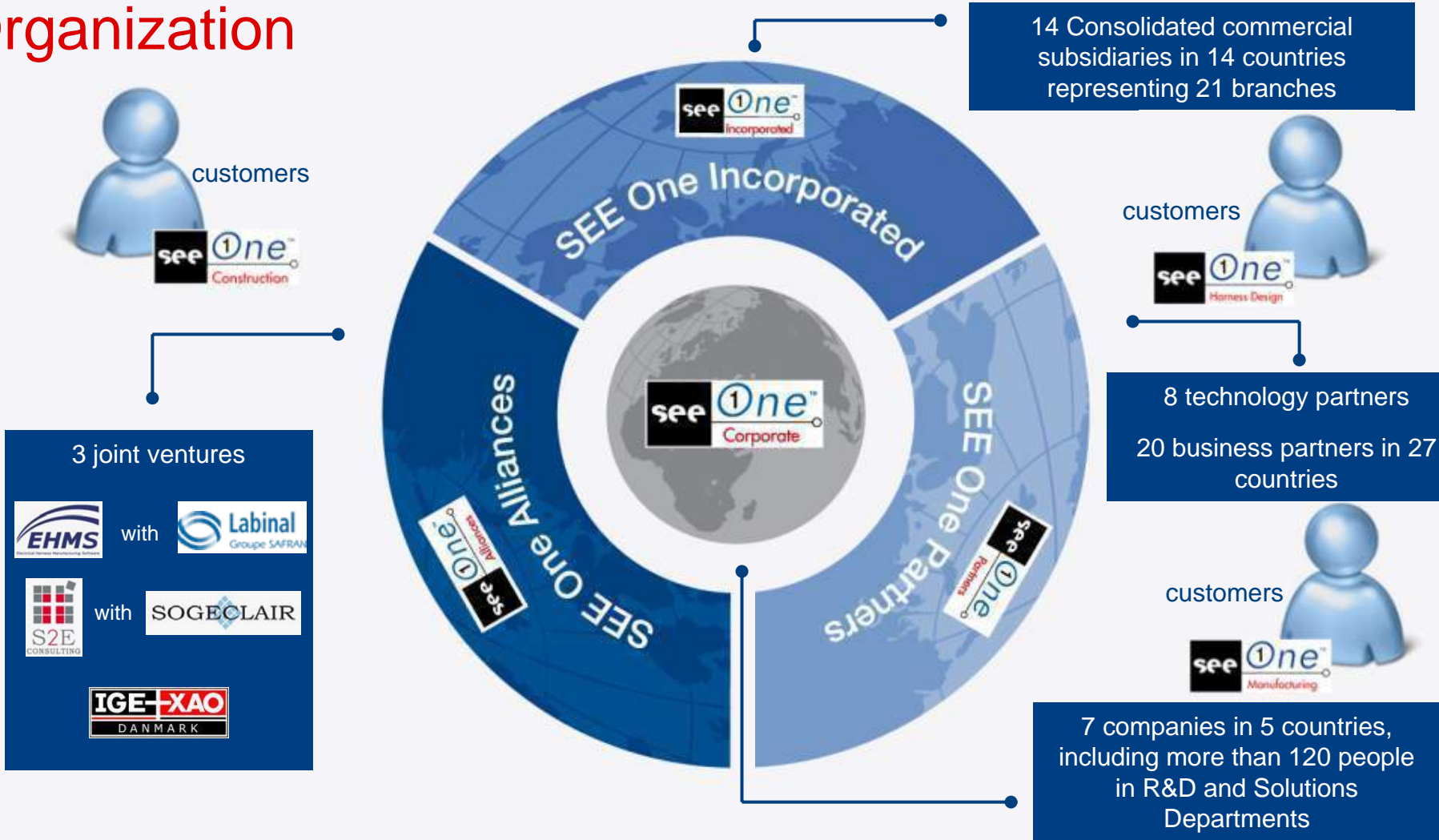


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# Organization



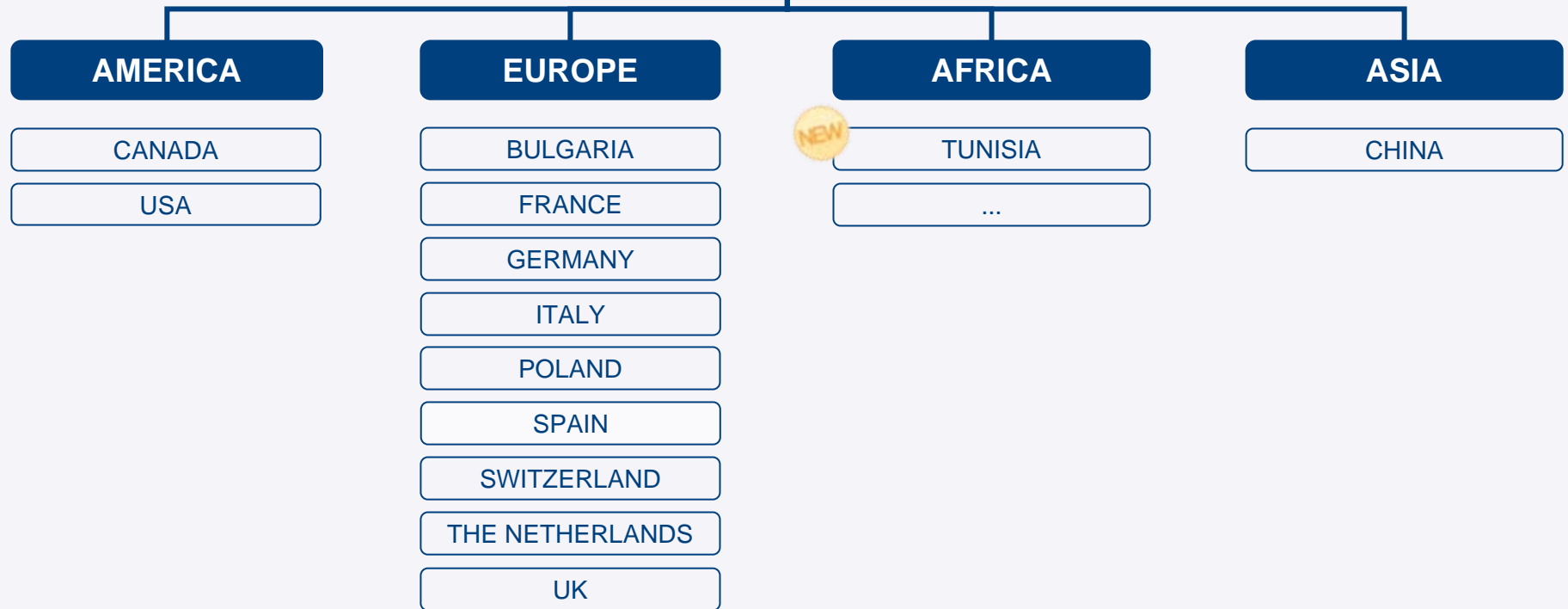


# SEE One Corporate



# Incorporated organization

14 Consolidated commercial subsidiaries in 14 countries representing 21 branches



# SEE One Alliance

Anyware is not anymore part of  
SEE One Alliance  
(IGE+XAO sold its participation  
in February 2008)



with



with



# SEE One Partners

8 technology partners

20 business partners in 27 countries



Croatia id-CADdy d.o.o	Austria MAY Computer	Turkey CPVision Bilgi Teknolojileri Ltd. Sti	South Africa CMW Automation (EC) (PTY) Ltd.	Faroe Isl KJ Eirád	Iceland Naust - Marine hf
Bosnia-H id-CADdy d.o.o	Romania PRD Electric	Lebanon Progress Engineering & Trading Enterprises	Tunisia H2M Technologies	Syria ZAHABI CO.	Australia Desktop EDA
Serbia id-CADdy d.o.o	Hungary PRD Electric	Cyprus ARC Engineering Ltd.	Portugal SA - Soluções em Automação S.A.	Bolivia EXIM SRL	New Zealand Desktop EDA
Montenegro id-CADdy d.o.o	Czech Rep. Softmarket s.r.o	Greece ARC Engineering Ltd.	Brazil L&R Software Para Engenharia Ltda	Colombia ENERSA Ltda	India ORCAN
Slovenia id-CADdy d.o.o	Slovakia Softmarket s.r.o			Russia Hetnet Consulting	

## ORGANIZATION



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# Highlights

**The IGE+XAO Group launches **SEE Electrical Harness**, a powerful package for the design of electrical harnesses with an excellent return on investment.**

**Toulouse, November 13th, 2007**

The IGE+XAO Group announces the launching of SEE Electrical Harness, a Computer-Aided Design (CAD) package dedicated to the electrical harnesses design. This new product allows to save time, increase quality and enable communication with 3D CAD or PDM (Product Data Management) applications.

SEE Electrical Harness addresses small and medium companies in the aeronautics, automotive, transportation and the consumer goods industries. The package manages, in a Microsoft Windows environment, all kinds of diagrams, wire and part lists. It includes a schematic editor, which provides all necessary tools to manage principle and wiring diagrams. It also offers connectors, signals, wires, cables and shielding complete management.

Dedicated symbol libraries and functionalities, ease-of-use and the 2D Harness documentation module help the user save a tremendous amount of time and provide a quick return on investment.

The package also brings significant improvements in terms of quality with real-time controls (pin booking, electrical tags, signals tracing, etc.), automatic list generation (part list, cable list, etc.) and revision management. This reduces the number of errors and contributes to an increase in quality.

Finally, SEE Electrical Harness offers the possibility to communicate with other packages through import/export in various formats (TIFF, JPG, XLS, XML...).

For more information about SEE Electrical Harness, please visit <http://www.harness-design.com>, the IGE+XAO Group's website dedicated to electrical harness design software.

# Highlights

## The IGE+XAO Group launches **SEE Freedom**, an "all-inclusive" innovative service offer for the Computer-Aided Design market.

Toulouse, February 5th, 2008

The IGE+XAO Group announces the launch of SEE Freedom an innovative offer for the Computer-Aided Design (CAD) market. This "all-inclusive" offer includes access to the software package, training (initial and update training), hotline, as well as all the new releases (minor and major).

SEE Freedom is built around SEE Electrical, the IGE+XAO Group software package which covers all small and medium businesses requirements in electrical schematics. Available in three versions "Basic", "Standard" and "Advanced", SEE Electrical is the ideal tool that can evolve according to customers needs.

The "Basic" level fits all industries and offers an interesting number of functionalities at a very attractive price. The "Standard" level includes, in addition to the "Basic", numerous functions which allow the creation and management of electrical schematics with maximum productivity. Hence, the "Advanced" level includes advanced functionalities (PLC input/output management, automatic plan generation...) which permit the management of complex projects.

Sold successfully for several years in a large number of countries, SEE Electrical has attracted users due to its ease-of-use and intuitive functions. The polish magazine "Inzyniering i Utrzymanie Ruchu" has recently recognised SEE Electrical as the "Product of the Year", in particular for its excellent ergonomics.

"With this new offer, medium-sized companies will produce electrical projects more quickly with a very good quality level. The SEE Freedom business model clearly answers very small and small businesses expectations: covering with one monthly fee is the use of the software package, as well as the associated training and maintenance agreement. At a purely financial level, we have defined a monthly fee that allows the immediate generation of significant margins. In conclusion, with this new commercial offer starting at 59.90 euros per month, Electrical CAD has never been so accessible to small and medium-sized companies" declared Alain Di Crescenzo, Chairman of the IGE+XAO Group.

For more information about SEE Electrical, please visit <http://www.see-electrical.com>

# Highlights

## The IGE+XAO Group sells its 11% shareholding in **Anyware Technologies** to Wavecom.

**Toulouse, February 5th, 2008**

The IGE+XAO Group announces the sale of its 11% shareholding in the company Anyware Technologies, following Anyware's acquisition by Wavecom, a specialist in integrated wireless communication solutions. In selling its shares, IGE+XAO is acting with all Anyware Technologies' shareholders and management.

Anyware, an innovative Toulouse-based company, was created in 2000, and the Group has been a shareholder from the outset, investing capital of €304,000 and supporting the company both technologically and financially. Anyware Technologies now supplies advanced software solutions, particularly for embedded software, Web technologies and information systems.

The disposal has netted IGE+XAO a cash payment of €1,100,000 plus an extra €55,000 in escrow as a guarantee against liabilities. In addition, a further payment of up to €220,000 will be made during 2009, once certain targets have been achieved.

"We are happy with this acquisition, which represents a real opportunity, in both technology and business terms, for Anyware Technologies. As regards intelligent solutions, the company will benefit both from synergies in expertise and from industrial complementarity", said Alain Di Crescenzo, the Chairman and Chief Executive of IGE+XAO.

IGE+XAO will lose neither expertise nor customers by the disposal, which will enable it to accelerate its 2008 investment programme.



# Highlights

## The IGE+XAO Group announces a new partnership in **Australia**.

**Toulouse, March 9th, 2008**

The IGE+XAO Group announces the signature of a new partnership with the Australian company Desktop EDA. This Melbourne-based company, created in 1996, is specialized in software packages dedicated to Computer-Aided Design for electronics and mechanical industries. The product range includes, in particular, IDF Modeler, a software package allowing designing three-dimensional (3D) images of Printed Circuit Boards, as well as Elektracad, an electrical plan design package. IDF Modeler can easily exchange data with SolidWorks, Inventor and SolidEdge.

Through this new partnership, Elektracad users now have the opportunity to migrate to SEE Electrical, the IGE+XAO Group leading package at the international level. Available in three versions "Basic", "Standard" and "Advanced", SEE Electrical is the ideal tool, able to evolve according to customers needs. With SEE Electrical, Elektracad users will get access to advanced functionalities such as cabinet layout.

Within this partnership, Desktop EDA will distribute IGE+XAO Group products and services in Australia and New Zealand.

"This partnership is an excellent opportunity for the IGE+XAO Group. It will help us develop our business in Australia and New Zealand, a region in which we are not present for the time being" declared Alain Di Crescenzo, Chairman of the IGE+XAO Group.

Brian Watson, Desktop EDA CEO, declared: "We are confident that, for the Elektracad users, the IGE+XAO solution is a guarantee of durability. The idea of our next collaboration with the IGE+XAO teams fills us with enthusiasm."

# Highlights

## The IGE+XAO Group announces a new partnership in **India**.

**Toulouse, April 4th, 2008**

The IGE+XAO Group announces the signature of a new partnership with the Indian company Orcan. This Faridabad-based company, created in 1978, offers a range of diverse products including factory automation solutions. Orcan has built an extended distribution network comprising of 80 dealers, which are located throughout 60 cities.

Through this partnership, Orcan will distribute in India IGE+XAO Group products and services, and in particular, SEE Electrical, the IGE+XAO Group leading package at the international level. Available in three versions "Basic", "Standard" and "Advanced", SEE Electrical is the ideal tool, able to evolve according to customers needs.

"This partnership is a tremendous opportunity for the IGE+XAO Group. We are very excited with the potential represented by the Indian market", declared Alain Di Crescenzo, Chairman of the IGE+XAO Group.

Jagjeet Paul Singh, Orcan Marketing Director, declared: "We are looking forward to collaborating with the IGE+XAO Group teams. We are confident that IGE+XAO's strong product line will be successful on the Indian market."

# Highlights

**Turnover of the 2nd quarter 2007/2008 (in IFRS norms)**

**Significant activity growth in the 2nd quarter**

Toulouse, March 14th 2008 - The IGE+XAO Group announces that:

in euros	Financial year		
	2007/2008	2006/2007	Variation
Turnover of 1st quarter (from 1 <sup>st</sup> August to 31 October)	4 539 436	4 309 447	5.3%
Turnover of 2nd quarter (from 1 <sup>st</sup> November to 31 January)	5 925 975	5 504 519	7,7%
Turnover of the 1st half year	10 465 411	9 813 966	6,6%

IGE+XAO shows a growth in turnover of 7.7% compared with 4.9% in 2006/2007 for the second quarter 2007/2008. This significant progression saw the Group cross the 10 million euros threshold in the first half year of 2007/2008 with a turnover of 10 465 411 euros compared with 9 813 966 euros a year earlier. This positive evolution comes with a strong technical, commercial and financial dynamism

The period was characterised by Product Lifecycle Management solutions (PLM) for the electrical facilities dedicated to aeronautics and space, which have represented almost 50% of the R&D resources in the last five years. After signing a first commercial contract with Eurocopter in 2005, IGE+XAO signed another contract for around 800 000 euros with another major actor in the aeronautics sector. These efforts should lead to new contracts at medium term.

In parallel, the Group sold its 11% shares in the Anyware Technologies Company for an amount of 1.1 million euros in January 2008. IGE+XAO, who had acquired these shares for a total amount of 392 000 euros, has thus accompanied all the shareholders and leaders of the Anyware Technologies Company in this operation.

The high level of activity confirms the Group's objectives which simultaneously aim for the increase of the turnover and a high level of profitability.

# Highlights

**Consolidated accounts for the first half 2007/2008 (in IFRS norms)**

## Sharp increase in net profitability

**Toulouse, March 31st 2008** - The IGE+XAO Group announces that:

In Euros	January 31st 2008 (6 months)	January 31st 2007 (6 months)	Change
Current Operational Results	1,628,808	1,492,334	+9.2%
Pre-Tax Group Results	2,385,756	1,652,121	+44.4%
Net results – Group	1,787,068	1,063,178	+68.1%

IGE+XAO has recorded a net profit of 1,787,068 euros over the first half of 2007/2008, compared with 1,063,178 euros the previous year (+68.1%), equal to an increase of 68.1% and a net margin of 17.0%\*. The current operating has reached 1,628,808 euros, compared to 1,492,334 euros in 2006/2007, an increase of +9.2%. The pre-tax group results rose dramatically (+44.4%), after taking into account the positive value gained from the transfer of Anyware Technologies shares (1,134, 693 euros). The positive impact of this gain has been attenuated by an exceptional depreciation of 440,893 euros.

Meanwhile, the Group has strengthened its financial position thanks to 15 million euros of equity, almost zero bank debt and available cash of 12.3 million euros. This financial performance is all the more impressive given that it comes within the context of sustained investment. Thus, over the first half of 2007/2008, IGE+XAO has expanded its presence on the international stage with the creation of two subsidiaries (China and Tunisia) while at the same time continuing its efforts in research and development and particularly with relation to the life cycle of electrical facilities (PLM).

Finally, the IGE+XAO Group has confirmed its market strategy aiming to grow both its turnover and profits over the course of the 2007/2008 financial year. This plan will be accompanied by the creation of jobs both in France and abroad so as to meet market demand.

\* Attributable group net results based on turnover.



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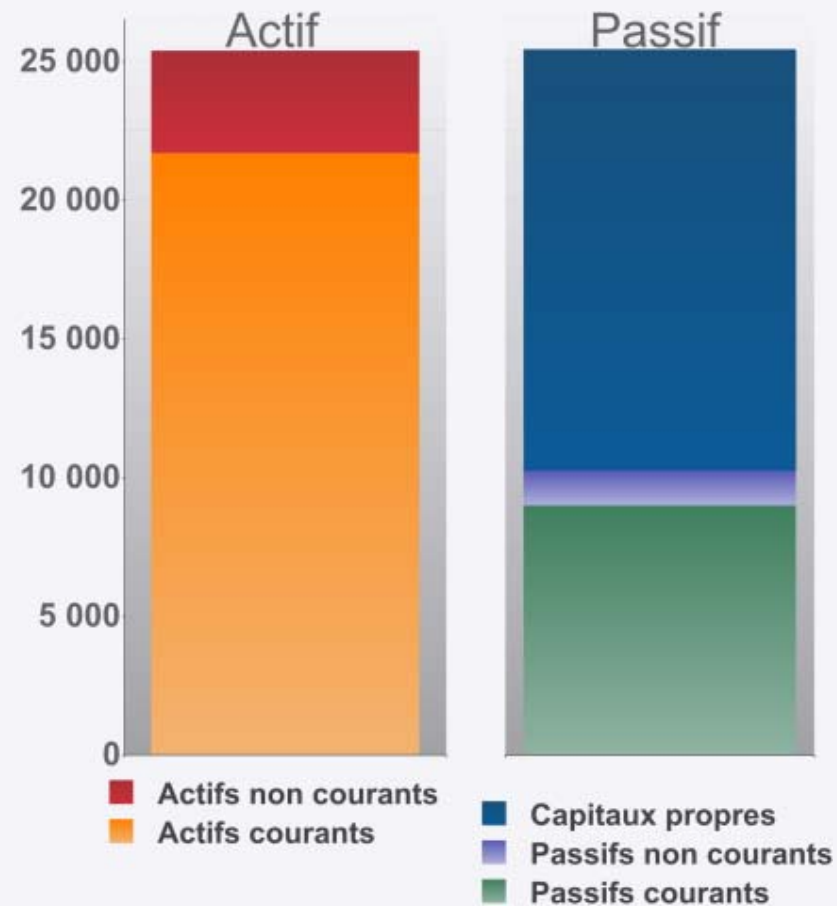


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## Balance sheet (IFRS)

6 months figures

Actif en milliers €	31/01/08	31/01/07
Actifs non courants	3 696	4 690
Actifs courants	21 674	18 498
Dont Disponibilités	12 251	9 742
<b>TOTAL</b>	<b>25 370</b>	<b>23 188</b>
Passif en milliers €	31/01/08	31/01/07
Capitaux propres	15 146	12 335
Passifs non courants	1 264	1 806
Passifs courants	8 959	9 047
<b>TOTAL</b>	<b>25 370</b>	<b>23 188</b>



# Profit & loss (IFRS)

6 months figures

En milliers €	31/01/08 6 mois	31/01/07 6 mois	Évolution
Chiffre d'affaires	10 466	9 814	6,6 %
Total produits d'exploitation	10 486	9 819	6,79%
Achats et charges externes	(2 747)	(2 524)	8,9%
Charges de personnel	(5 466)	(5 050)	8,2%
Impôts et taxes	(253)	(226)	11,8%
Dotations amortissements et provisions	(364)	(509)	-28,6%
Autres charges opérationnelles	(27)	(19)	n/s
Total Charges d'exploitation	8 857	8 328	6,37%
Résultat opérationnel courant	1 629	1 491	9,2%
Résultat net consolidé	2 385	1 069	44,4%
Résultat net part du Groupe	1 787	1 063	68,1%

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# 3 markets / 3 levels of commercial offer



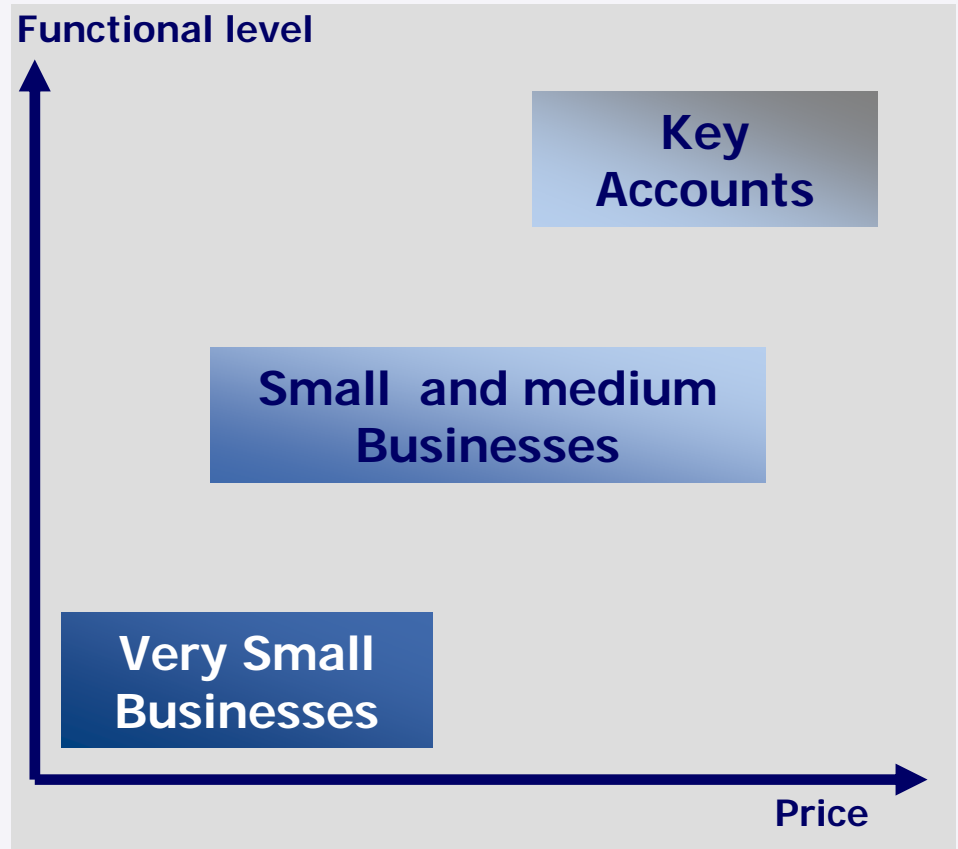
IGE+XAO's historical market



Launched by the end of the 90's



Launched in 2005



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## A strong international presence (as well for sales than for R&D and Solutions)



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# Innovation

R&D investments represent 21,76% of the turnover.



2006/2007 12 months figures

Collaborative & PLM processes,  
CATIA V5 integration,  
Full generative process for  
schematics production,  
Dimensioning & simulation,  
Harness manufacturing,  
Configuration management,  
Generative documentation for  
construction,

...

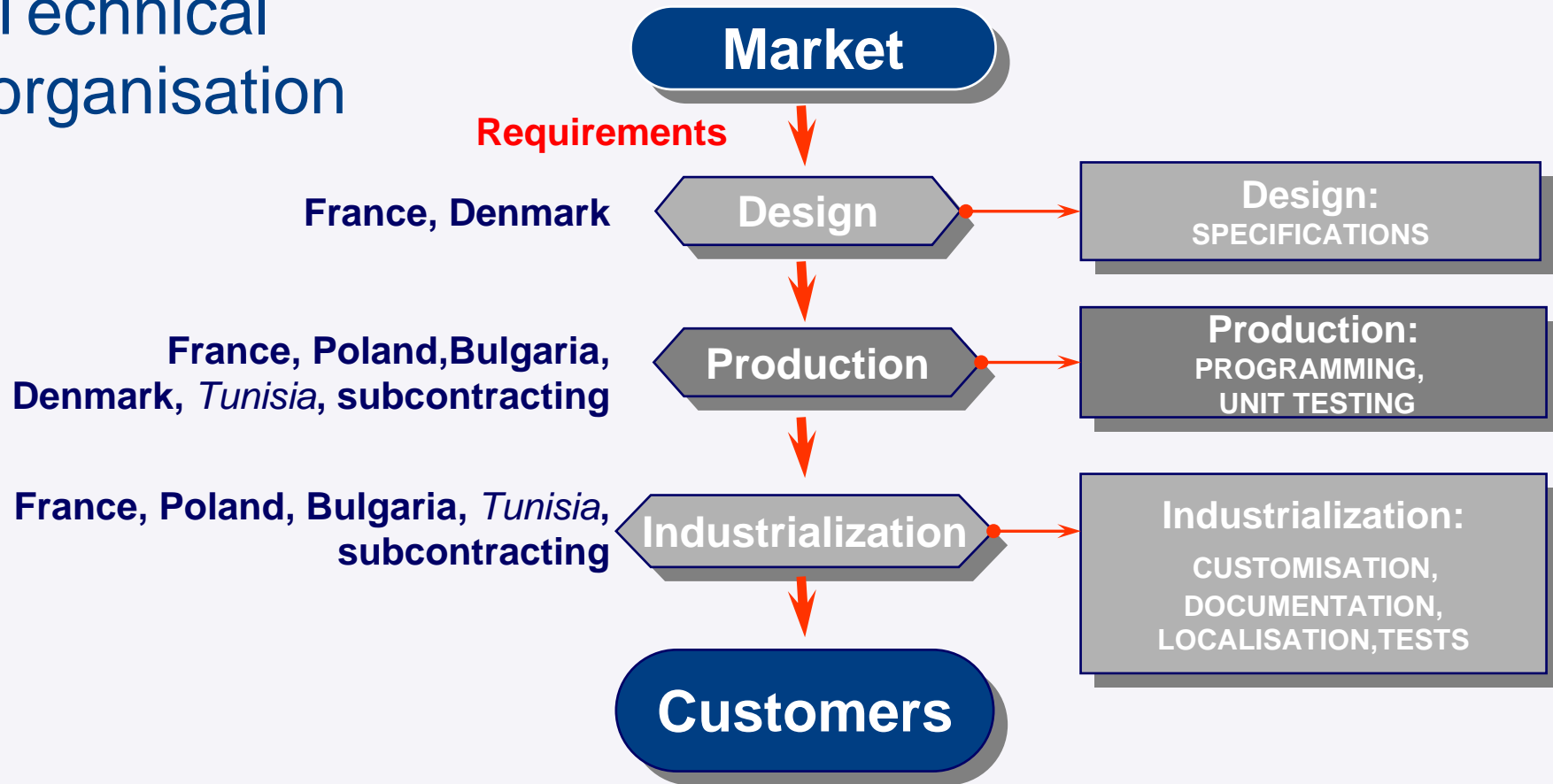
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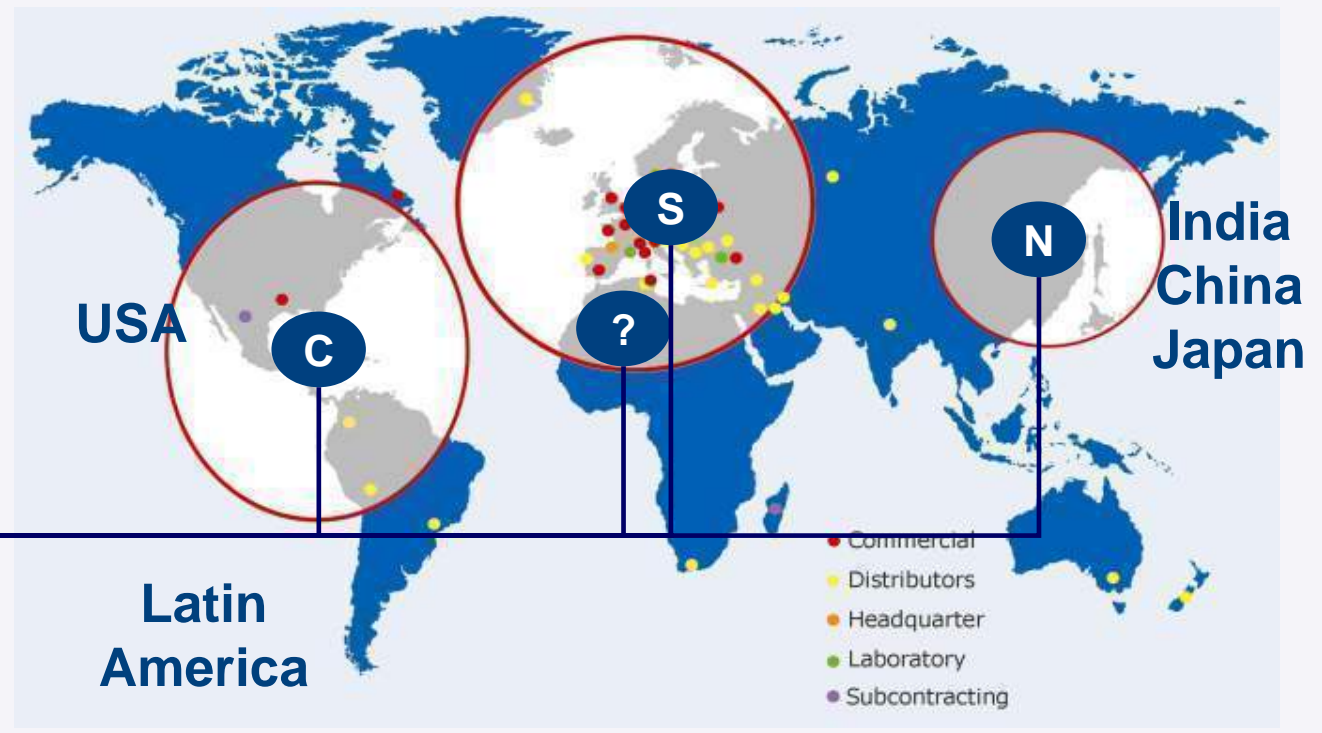
# An efficient and cost-optimized organization

- Technical organisation



# An efficient and cost-optimized organization

- Customer support organisation



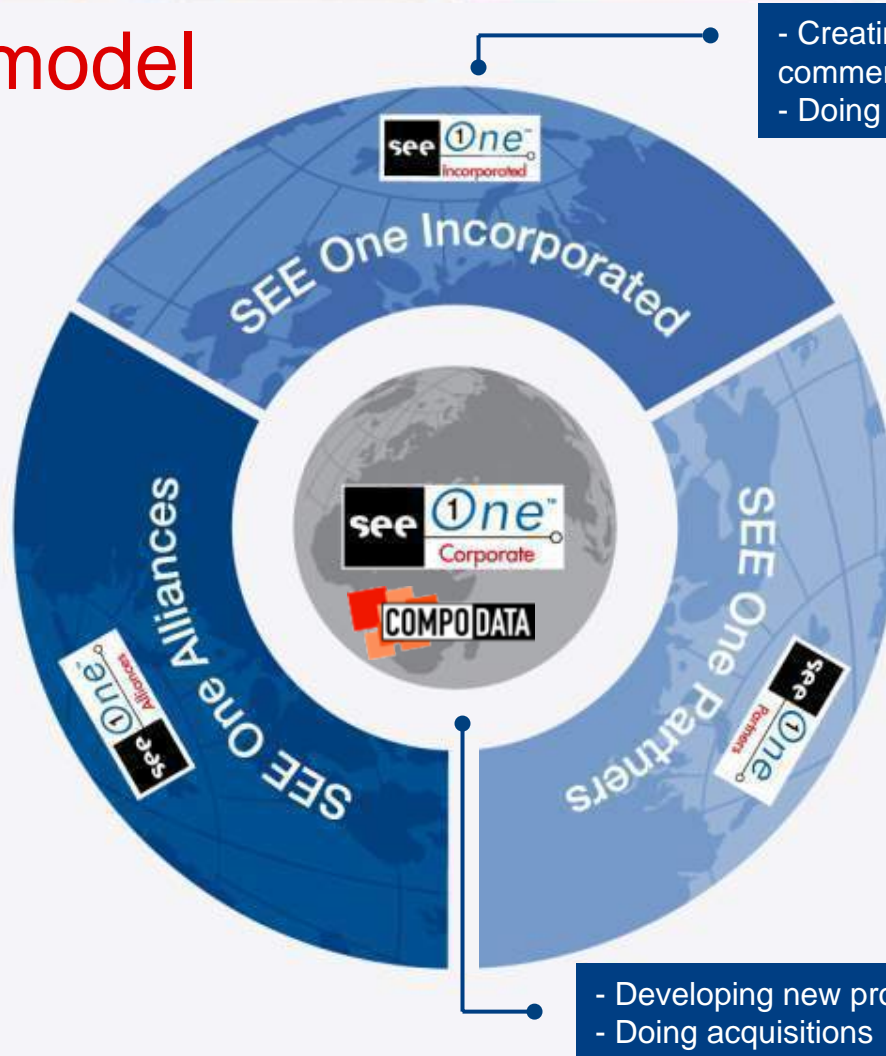
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# Mixed growth model



- Creating new consolidated commercial subsidiaries
- Doing acquisitions

Having new partners:

- Technology
- Business



- Creating new joint-ventures
- Having minority interests



- Developing new products and new services
- Doing acquisitions

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## Conclusion (1/2)

### – The Market

#### – Electrical market

- Electrical energy is essential to all goods & services produced,
- Investments planned for the next 20 years are more important than during the XXth century,
- Technology convergence between Electrical, Automation & IT words (transparent factory, intelligent buildings, cars... & new embedded services,...).

#### – Electrical CAD market

- An open market (70% free of Electrical CAD),
- A market more & more mature,
- New opportunities: PLM, construction.

## Conclusion (2/2)

### – The Company

- IGE+XAO key position:
  - + 70% of the French market shares,
  - + 48 500 users throughout the world.
- IGE+XAO portfolio:
  - 3 powerful ranges of software,
  - A complete offer of services.
- And:
  - 21 years of experience,
  - International network: 21 implantations in 14 countries and a network of partner,
  - An advantageous business model,
  - A strong financial structure, a high level of profitability & a dividend paid every year,
  - A full success of the business plan announced in February 1998,
  - Share evolution: +200 % from the listening (share value approx. 21 Euros),
  - Out of cash valorisation (share value approx. 21 euros):  
9.25 x net income, 1.1 x turnover
  - A nice future prospects.

Thank you !



# M@X

Votre partenaire tableaux



**IGE+XAO**  
GROUP

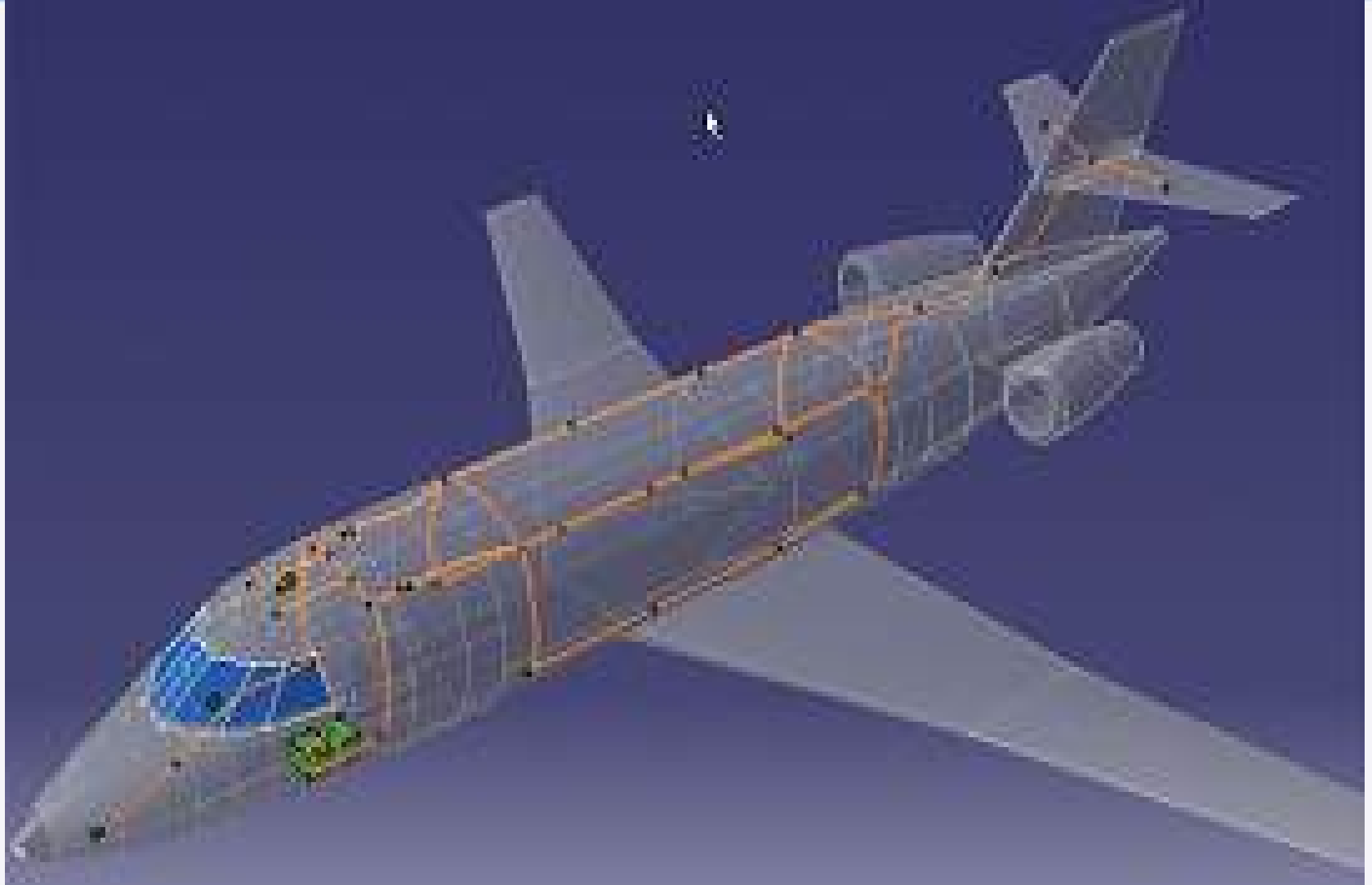
[www.ige-xao.com](http://www.ige-xao.com)

**MOELLER** 

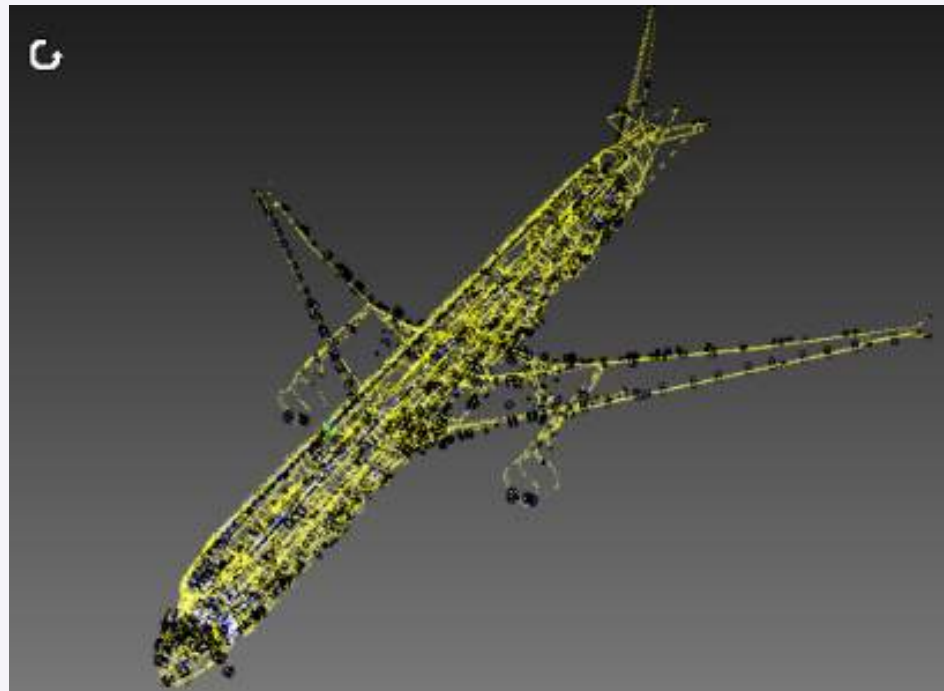
We keep power under control.

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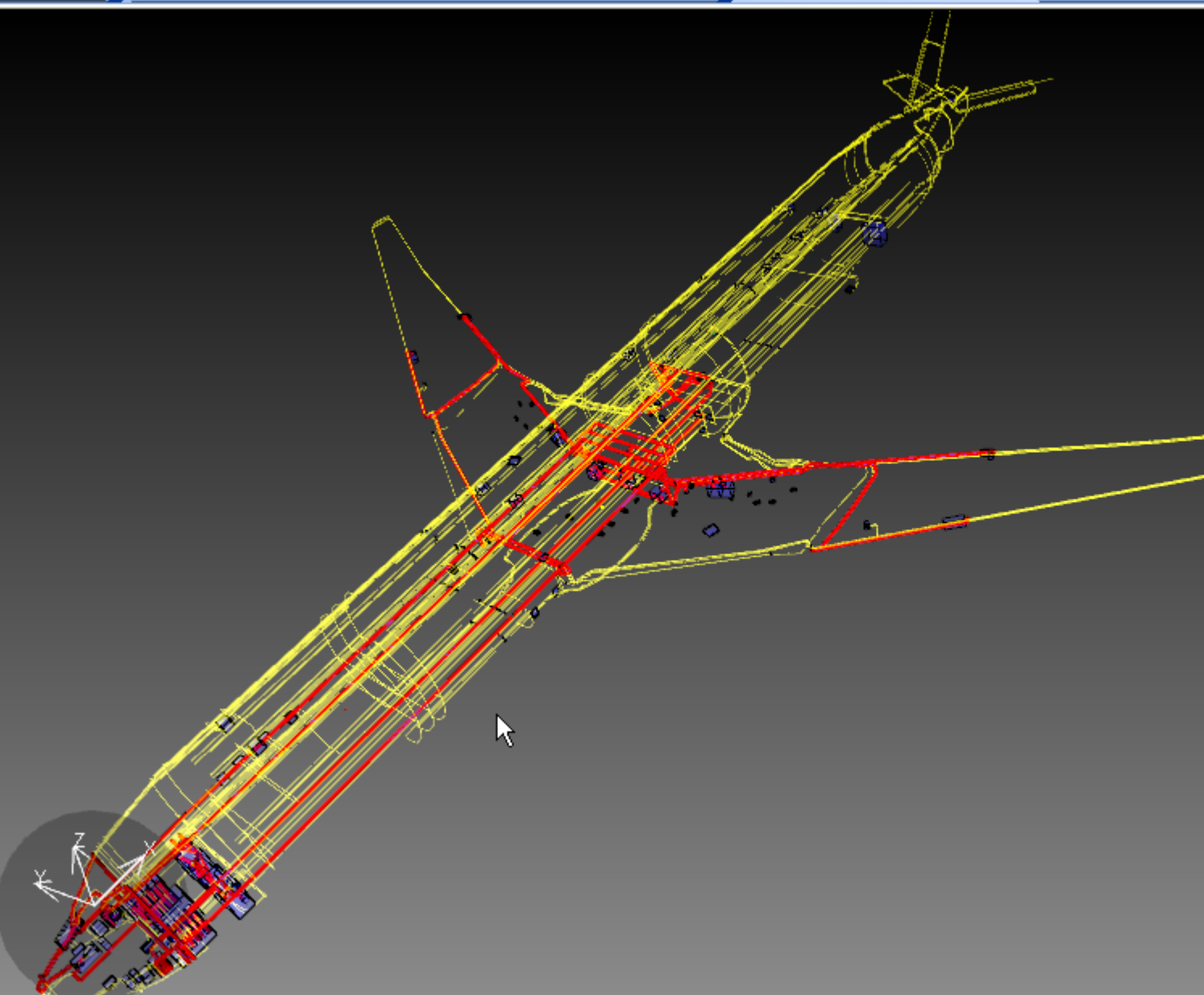


## Lancer film Harness



---





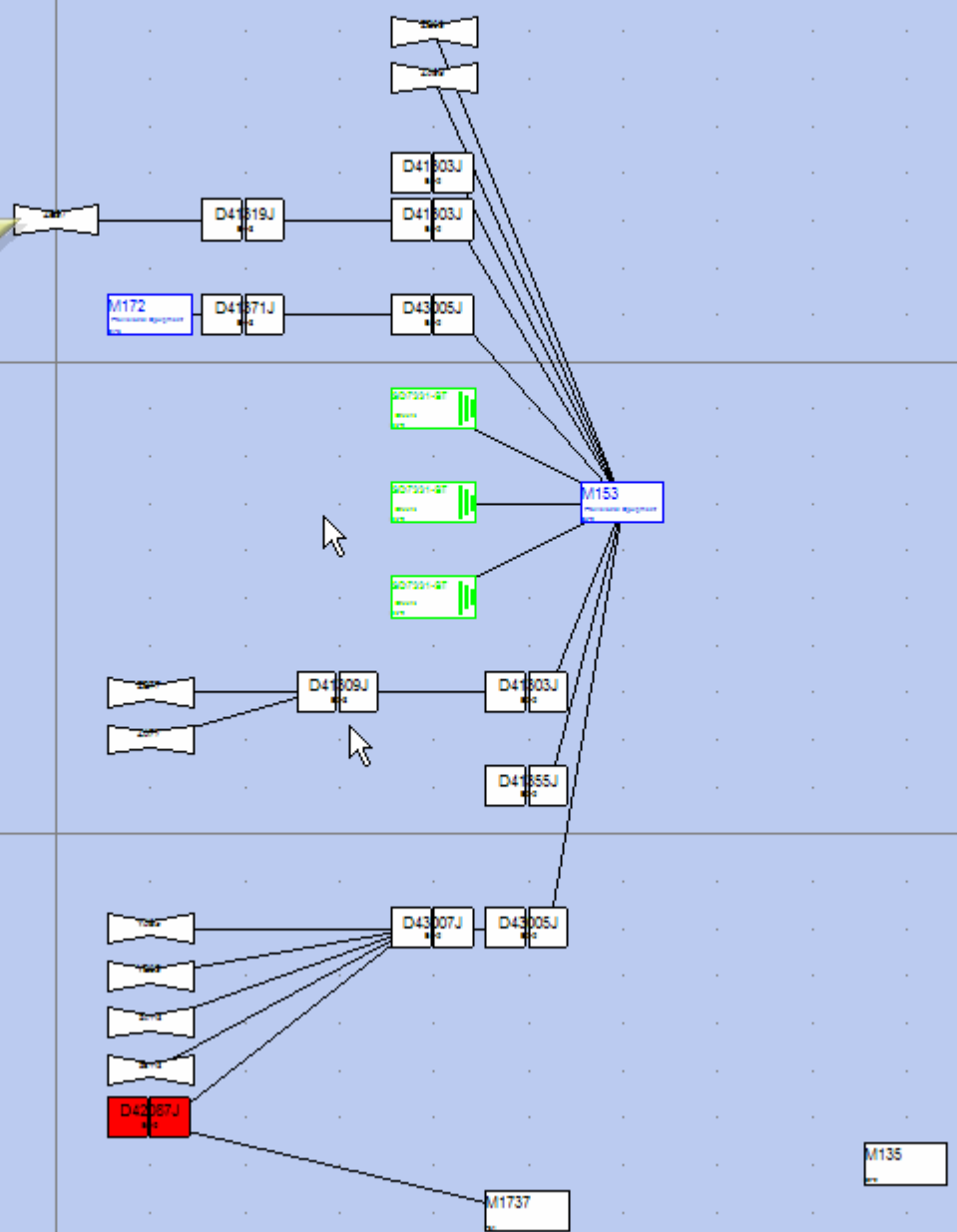
Property	Value
Logical Harness:	S002A1001
Wire Harness:	S002A1001

Documentation Requirements

- Harnesses
  - S002A1001
  - S002A1002
  - S002A1003
  - S002A1004
  - S002A1005
  - S002A1006
  - S002A1007
  - S002A1008
  - S002A1009
  - S002A1010
  - S002A1011
  - S002A1012
  - S002A1013
  - S002A1014
  - S002A1015
  - S002A1016
  - S002A1017
  - S002A1018
  - S002A1019
  - S002A1020



SPLICE



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