

# COMPANY PRESENTATION



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

**IGE+XAO**  
GROUP  
[www.ige-xao.com](http://www.ige-xao.com)

# Agenda



- I. Company profile
- II. Organization
- III. Fiscal year 2005/2006 – Highlights
- IV. Fiscal year 2005/2006 –Financials
- V. The fundamentals of IGE+XAO's strategy
  - Innovation
  - 3 Markets
  - Portfolio
  - Business operations
- VI. Future and Prospects
- VII. Conclusion

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## Overview

- 20 years of experience,
- Listed since march 1997,
- Over 350 employees,
- 20 branches in 13 countries
- Only one business since IGE+XAO creation,  
CAD Editor dedicated to:
  - Electrical engineering,
  - System design.



20 years

# 3 ranges of software market oriented



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



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



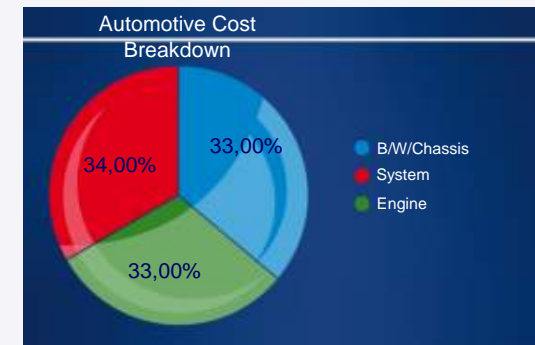
- Building,
- Chemistry.



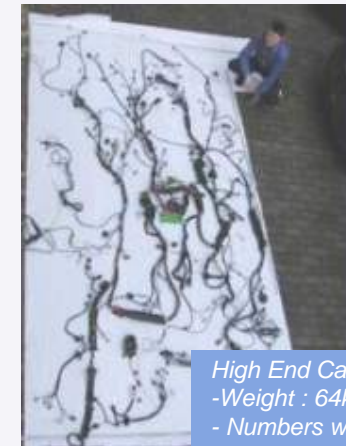


# Automotive industry context

- Car Manufacturer
  - A modern luxury car has about **30 to 100 control units** networking together,
  - Although bus-systems are used there are **2 to 4 kilometers of wires** needed,
  - And this results in **35 to 70 kilos** of weight.
- Automotive supplier
  - A modern car can contain **>160 electrical** motors
  - Advanced Air-conditioning systems have **>35 electrical** motors
- General
  - **50% of incidents** in cars are related to systems and electrical,
  - Reduction of design and manufacturing lifecycle.



Trend: Systems growing

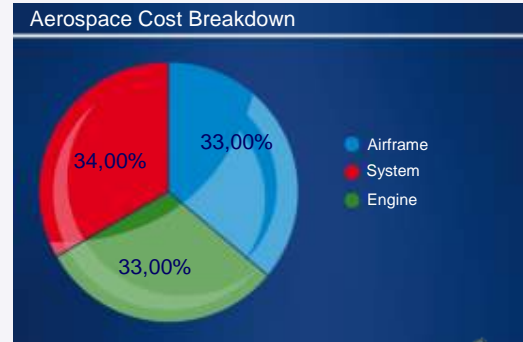


High End Car Assembly  
- Weight : 64kg  
- Numbers wires : 2110  
- Length of wires : 3860m

# Aerospace industry context

## Military aircraft Breakdown:

Cost	Added Value	Comment
33% Airframe	Low	Aerodynamics
33% Engine	Medium	Performance
<b>34% Systems</b>	High	Key differentiator



- Aircraft Manufacturer
  - A long range aircraft contains **> 150 miles (240 km) of wiring** and **> 5 miles (8 km) of tubing** systems,
  - A regional jet contains 60 different types of cables measuring **> 70 km**,
  - Small helicopter have approx. 20 000 wires measuring around **30 km**.
- General
  - Reduction of design and manufacturing lifecycle.



# Building & Residential context

- Market size
  - More than 350 billion € turnover worldwide,
  - 32 billion € turnover in France:
    - 96.000 companies,
    - 380.000 new constructions in 2005,
    - 620.000 accommodations to cable in 2005,  
→ **X 3 in 2008**
- Evolution of the standards:
  - Securization of electrical installation:
    - Necessity to put electrical installations in compliance with standards,
    - Necessity to provide electrical diagrams (conception & maintenance) to be connected to power supply.
- Business opportunities:
  - Securization of electrical installation:
    - French market information:
      - 28% of installations don't meet safety standards,
      - 8% are dangerous.
  - Securization of accommodations (alarm systems, lightning protection,...),
  - Home automation.



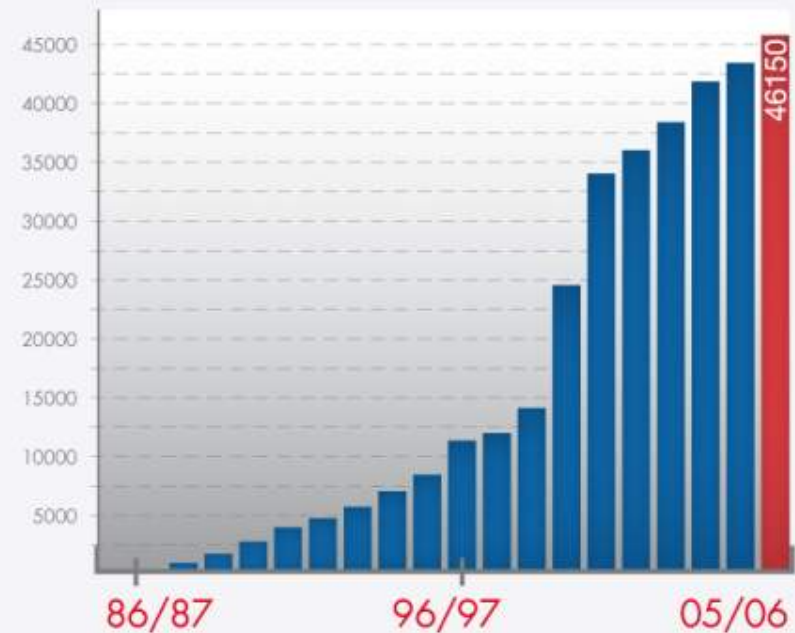
**Electrical contractors  
have to use ECAD software**



## License and customers

- Nb. Customers as of July 31st 2006
  - 13 000 in France
  - 10 500 out of France
  - 2 000 Education

Number of licenses sold



# Customers

- Over 46,150 seats and numerous key accounts.

## Automotive industry



PSA, Renault, Volkswagen, Heuliez,  
Michelin, Valeo, Renault Trucks, COMAU  
(Fiat), Dunlop, Faurecia ...

## Transportation



Airbus, Eurocopter, Embraer, Thales,  
Northrop Grumman, Socata, Air France-  
KLM, Safran, Latélec, MBDA, ADP,  
SAGEM, Alstom, DCN, RATP, SNCF,  
Matra Transport ...

## Power generation



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



## Electrical and electronic equipments

Schneider Electric, ABB, Motorola, Sagem, Philips,  
Siemens, Legrand, Bosch, Kodak, Schlumberger,  
Carrier...



## 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

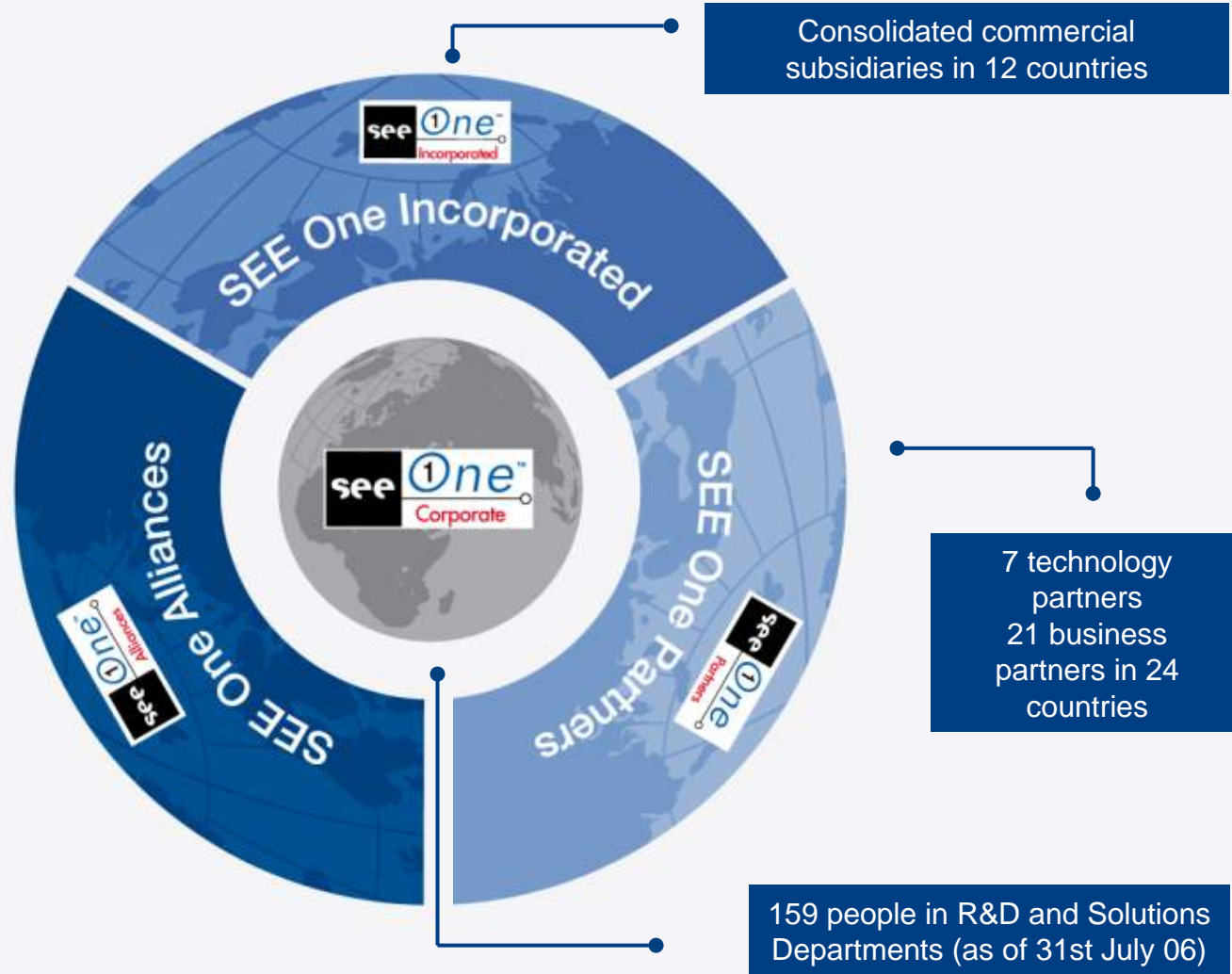
Labinal, Fokker Elmo, Latelec, Cegelec, Ineo, Forclum,  
Vinci Energies, Amec-Spie ...

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# Organization



Consolidated commercial subsidiaries in 12 countries

7 technology partners  
21 business partners in 24 countries

159 people in R&D and Solutions Departments (as of 31st July 06)

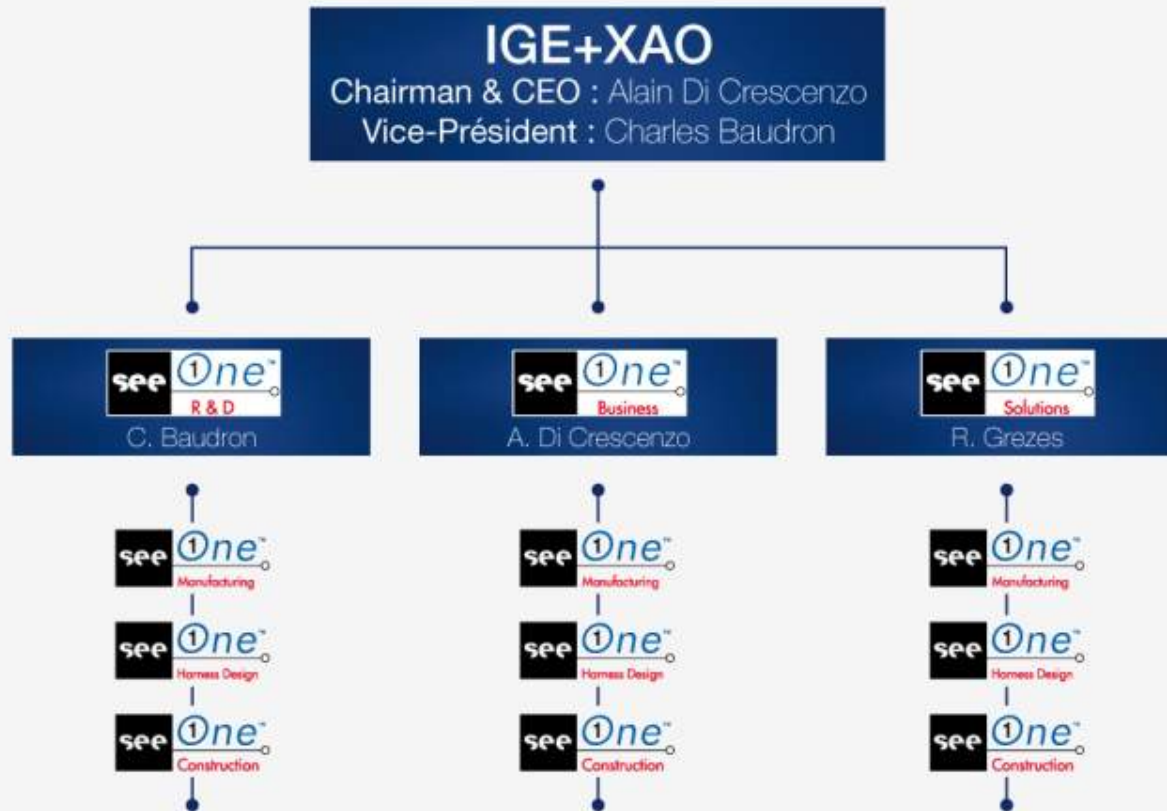
Including

	with	
	with	



# SEE One Coporate

- 3 directions / 3 markets





# Incorporated organization



# SEE One Alliance



with



with



# SEE One Partners



# SEE One Partners





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# Highlights



**The IGE+XAO Group receives the 2006 Financial Information Prize in the "Groups and Group Subsidiaries" Category.**

**Toulouse, February 6th, 2006 - The IGE+XAO group** announces that they received the 2006 Financial Information Prize in the "Groups, Group Subsidiaries and Financial Institutions" Category last week.

This Prize is organised by the Group "Dépêche du Midi" in partnership with the Regional Branch of Certified Auditors with the contribution of the Social Sciences University, The Bank of France, the French Banks Association, the Toulouse Industry & Commerce Office and the Financial Club.

The Financial Information Trophy is reserved for commercial or industrial companies, listed companies or non listed companies, to associations and foundations, whatever their activity field, size or legal form. It rewards companies which offer their shareholders with pertinent, transparent and quality financial information.

For IGE+XAO Management "this prize rewards all the efforts made since the Stock Exchange introduction 10 years ago in order to provide our customers, shareholders and financial institutions with transparent information regarding the business trend and the Group's results".

# Highlights

2 new implantations: Dallas-Fort Worth and Nanjing



# Highlights



**After receiving the "Financial Information Prize" last week, the IGE+XAO Group has now obtained the "Septuor 2006" for its international development achievements.**

**Toulouse, February 10th, 2006** - After receiving the "Financial Information Prize" last week, the IGE+XAO Group obtained yesterday the "Septuor 2006" in the "International Development" category.

The aim of the "Septuor 2006" Prize, organised by the "Dépêche" Group, is to detect and award companies located in the "Midi-Pyrénées" region, whose initiatives and performances have placed them at the top of the category for which they are competing. The Prize is made up of six categories: International Development, National Development, Innovation, Environment protection, "Midi-Pyrénées" region promotion and Young Entrepreneurship.

The winners were selected by a jury, including members from the "Midi-Pyrénées Auditors Council", professional, social and governmental institutions.

This Prize acknowledges the IGE+XAO Group strategy, whose objective, since the beginning, has been to become a major international player in the field of Electrical Computer Aided Design. The IGE+XAO Group opened its first foreign subsidiary in 1988, only two years after its creation and now has 17 locations in 11 countries. In 2006, the Group plans to continue its international development with the opening of two subsidiaries, one in the United States (Dallas) and the other in China (Nanjing).

# Highlights



## **Schneider Electric and the IGE+XAO Group sign a worldwide partnership.**

**Rueil Malmaison, June 28th 2006**

Schneider Electric and the IGE+XAO Group announce that they have signed a partnership for their respective software offers, SISpro Building v2 and SEE Building LT. For this partnership, IGE+XAO has adapted SEE Building LT (design of electrical schematics dedicated to the building market) so as to make it interactive with SISpro Building v2, a software package dedicated to electrical panel configuration for the services industries.

Thanks to the IGE+XAO package, Schneider Electric customers will be able to generate single-line electrical diagrams for each panel designed with SISpro building.

The two software applications will be distributed by Schneider Electric, which is forecasting to distribute 6000 copies during the first year, in particular in France, Italy, Spain, United Kingdom, Netherlands and Bulgaria.

A long term cooperation

With this partnership, Schneider Electric provides its customers with more productivity and efficiency. By expanding its customer software offer, the Schneider Group offers added value on a daily basis. The image and recognized know-how of Schneider Electric's will benefit the IGE+XAO Group, which will see an increase in the distribution of SEE Building LT software world-wide.

In addition, Schneider Electric and IGE+XAO announce a common ambition. Together, they plan to develop new packages: building professionals will therefore be able to take advantage of the joint strength and effective offers in electrical distribution.

"Through this partnership, Schneider Electric and IGE+XAO provide their customers with a simple and impressive offer that answers their needs for improvement in productivity and quality. This agreement, signed with a reference such as Schneider Electric, also confirms our willingness to become a major player on the market of the Computer Aided Design software dedicated to the Building Industry" said Alain Di Crescenzo, IGE+XAO Group CEO.

For Patrick Bouteiller, Schneider Electric's Customer Software & e-Business Senior Vice-President, "IGE+XAO provides us with an expertise in electrical schematics recognized world-wide. Our goals are complementary and allow us to think this partnership as a long-term partnership".



# Highlights



## **IGE+XAO acquires its Swiss distributor Hibatec**

**Toulouse, July 18th. 2006**

IGE+XAO announces that within the plan of its strategic growth, it is going to acquire the Swiss company Hibatec (acquisition effective 1st.August 2006)

Hibatec is a limited company based in Bienne in Switzerland. For several years Hibatec has distributed IGE+XAO software programmes and services in the Swiss market.

This acquisition, well within the investment capacity of the Group, puts at its disposal a lean company which is very profitable and well capable of developing the presence of IGE+XAO in both the German-speaking and French-speaking Swiss markets.

“With Hibatec, IGE+XAO strengthens its position in the Swiss market and consolidates its strong European presence on 14 sites throughout 8 countries” declared Alain Di Crescenzo Chief Executive of IGE+XAO Group.



# Highlights



Fiscal Year 06/07

## Labinal and the IGE+XAO Group, launching a **joint venture** to develop and market software applications dedicated to electrical harness manufacturing.

Paris, September 5th 2006

Labinal, World leader in the field of electrical wiring systems, and IGE+XAO Group, specialists in publishing and deploying innovative CAD software solutions for electrical processes, are proud to announce the launch of a joint venture aiming to develop and market software solutions dedicated to the manufacturing of electrical harnesses.

By combining the skills and resources of Labinal and IGE+XAO, the new JV will develop and sell pioneering software programs which interface seamlessly with the proprietary design environments of customers (aircraft manufacturers, automotive manufacturers, etc.) or software publisher architectures.

Working from the harness design plans, the new commercial offer, called SEE Electrical Harness Manufacturing, will determine the appropriate fabrication range, and pilot the cutting and marking machine tools. SEE Electrical Harness Manufacturing will also integrate other functions, such as electrical tests definition.

« This is a strategic alliance launched in an encouraging market context, 'the all-electric aircraft'. It will enable Labinal and IGE+XAO to consolidate their positions by offering aircraft constructors a high added value software concept that's both innovative and unique", commented Philippe Petitcolin, Labinal CEO. He added, "We'll be pooling the special skills of our two companies. Labinal brings its industrial expertise in the fields of aircraft wiring design and production, and IGE+XAO its talent and technical competence in software design, marketing and support."

"This promising partnership confirms IGE+XAO's ambition to bring innovative software to market, with solutions that cover the entire design and fabrication processes of electrical harnesses. Bringing together two of the most prestigious names in their respective sectors guarantees our customers a truly high performance offer", declared IGE+XAO's CEO, Alain Di Crescenzo.

# Highlights



Fiscal Year 06/07

## **Embraer selects the IGE+XAO Group software packages.**

**Toulouse (France) and São José dos Campos (Brazil) - October 19th, 2006 - 18h30.**

The IGE+XAO Group announces that Embraer, the world's leading manufacturer of commercial jets of up to 110 seats, has selected their "SEE Electrical Harness Collaborative / SEE Electrical Expert" software packages in order to design the electrical installations of the aircrafts. Firstly, Embraer will use the IGE+XAO Group's software packages for its new programs. Subsequently, their use could be extended to other programs.

The implementation of IGE+XAO's solutions deployment has been achieved in record time. In less than eight months, the software packages have been adapted to Embraer's requirements, integrated into its hardware and software environment, then implemented. They are now in use. Both companies have worked extensively on this customization.

"The Embraer contract confirms the strong position that the IGE+XAO Group holds in the aeronautics market. The joint Embraer/IGE+XAO project team has demonstrated strong professionalism and reactivity by achieving in only a few months, the integration of the IGE+XAO solution into the Embraer working methods and information system. This performance emphasizes the relevance and maturity of the IGE+XAO Group offering. This new contract, along with its commercial spin-offs and public image, will lead the Group to the creation of an office in South America", declared Alain Di Crescenzo, IGE+XAO Group CEO and Chairman.

Embraer is an addition to the prestigious list of aeronautics companies that are already using the IGE+XAO Group's software packages. Not only does this new partnership reinforce the Group's position in the field of electrical harness design (particularly in the aeronautics field), but it also confirms the competitive advantage of the Group's solutions and the high level of expertise of its teams.

# Highlights

SOGECLAIR



Fiscal Year 06/07

The SOGECLAIR and IGE+XAO Groups create **S2E CONSULTING**, a company dedicated to systems and electrical engineering consultancy.

Toulouse, November 15th, 2006

The SOGECLAIR (Eurolist - ISIN FR0000065864) and IGE+XAO Group (Eurolist - ISIN FR 0000030827) announce that they have created a joint venture with the objective of selling diagnostic, consulting and assistance services dedicated to systems and electrical engineering processes. This company, called S2E CONSULTING (Systems and Electrical Engineering Consulting), is equally owned by the IGE+XAO and SOGECLAIR Groups. S2E CONSULTING targets, in particular, major worldwide accounts in the aeronautics, automotive, ship building and automation industries. With the use of an increasing number of electromechanical and electronics equipments, the complexity of the interconnections is now becoming more complex. That is to say, systems and electrical engineering processes become extremely critical and therefore strategic.

The respective expertises of the two companies, software design for IGE+XAO and consulting and assistance for SOGECLAIR, will allow S2E CONSULTING clients to benefit from strong added-value services. This joint venture will entitle them to get support, from the requirements analysis to the implementation of corrective actions or new processes.

For Alain Ribet, S2E Consulting CEO, "through its team, S2E Consulting will help industrial customers, from the tools-methods choice and process definition (design and engineering) to the quality assurance organisation. Right from the beginning, the strong professional expertise of S2E Consulting ensues from the long experience and perfect product knowledge of the new team".

For Alain Di Crescenzo, IGE+XAO Group CEO, "the creation of this company underlines our strategic willingness to provide our customers with global solutions meeting both their short term and medium term challenges".

For Philippe Robardey, SOGECLAIR CEO, "by offering an independent expertise in the electrical engineering, installation and integration fields, we allow industrial companies to benefit from a recognised know-how."

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**Operating income**  
**€3,107,699**  
**up 20.5%**

*Consolidated accounts for 2005/2006 (IFRS norms)*

**A profitability beyond the objectives**

**Group net income**  
**€2,052,946**  
**up 17.3 %**

**Toulouse, 31st. October 2006 – IGE+XAO Group announces:**

In €	2005/2006	2004/2005	Increase
Turnover	19,698,405	18,370,965	7.2%
Other operating revenues (including operating tax credit)	333,993	211,273	58.1%
Total operating revenues	20,032,398	18,582,238	7.8%
Operating income	3,107,699	2,577,042	20.5%
Net income - Own equity holding in Group	2,052,946	1,750,090	17.3%

During 2005/2006, IGE+XAO entrenched its development with a turnover of € 19,698,405 an increase of 7.2% on the previous fiscal. On its plans for profitability, the Company's performance is significant with an operating profit rising to € 3,107,699 up 20.5% and with the net income reaching € 2,052,946 an increase of 17.3%. The net margin of 10.4% of turnover thus achieved, underwrites the objective between 8% and 10% announced by the Group Board of Directors.

At the same time, IGE+XAO strengthened its financial position with the absence of long-term financial debt, cash-at-bank of € 10,193,927 (€ 8,970,715 in 2004/2005), and a total shareholder's equities of € 11,649,114 (€ 10,348,618 in 2004/2005).

This very healthy financial position gives the Group the ability to achieve its commercial and technical development objectives. In 2005/2006, the Group thereby increased its international presence with the acquisition of its Swiss distributor Hibatec GmbH, the creation of a marketing subsidiary in the United States and the opening of a representative office in China. Significant commercial agreements have been signed notably with Schneider Electric in June 2006 and Embraer very recently in October 2006. On the technical plan, IGE+XAO has persuaded a large research and development effort in order to market in particular an integrated program to manage the life cycle of an electrical installation (PLM).

Finally, and in accordance with IGE+XAO policy, the Board of Directors will propose at the Annual General Meeting, a dividend distribution amounting to € 350,800 compared to € 315,720 in 2004/2005.

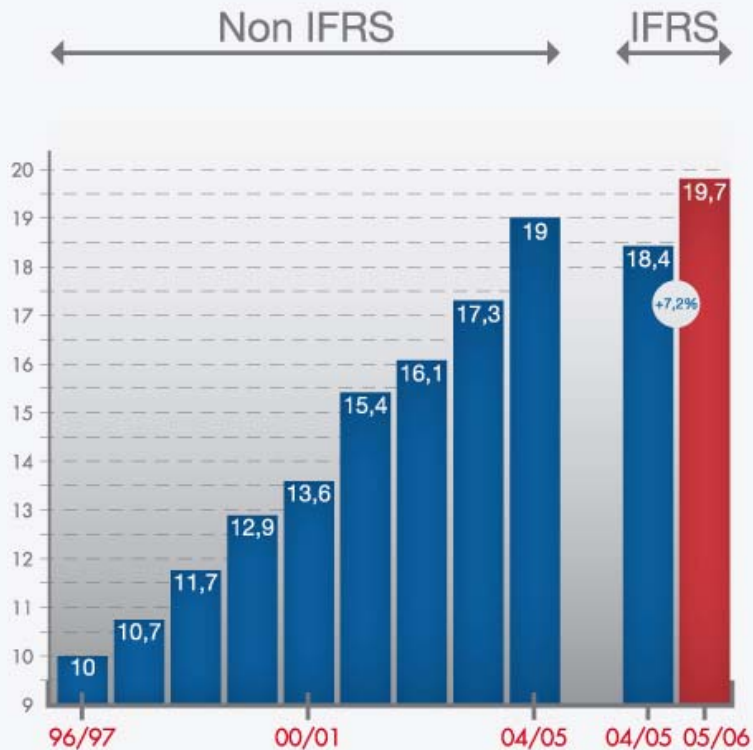
## Balance sheet (IFRS)

Actif en milliers €	31/07/06	31/07/05	31/07/04
Actifs non courants	4 217	4 022	3 064
Actifs courants	17 585	15 967	14 020
Dont Disponibilités	10 194	8 971	7 349
<b>TOTAL</b>	<b>21 802</b>	<b>19 989</b>	<b>17 084</b>
Passif en milliers €	31/07/06	31/07/05	31/07/04
Capitaux propres	11 649	10 349	8 766
Passifs non courants	1 451	1 863	678
Autres passifs courants	4 436	3 746	3 595
Produits constatés d'avance	4 266	4 031	4 045
<b>TOTAL</b>	<b>21 802</b>	<b>19 989</b>	<b>17 084</b>

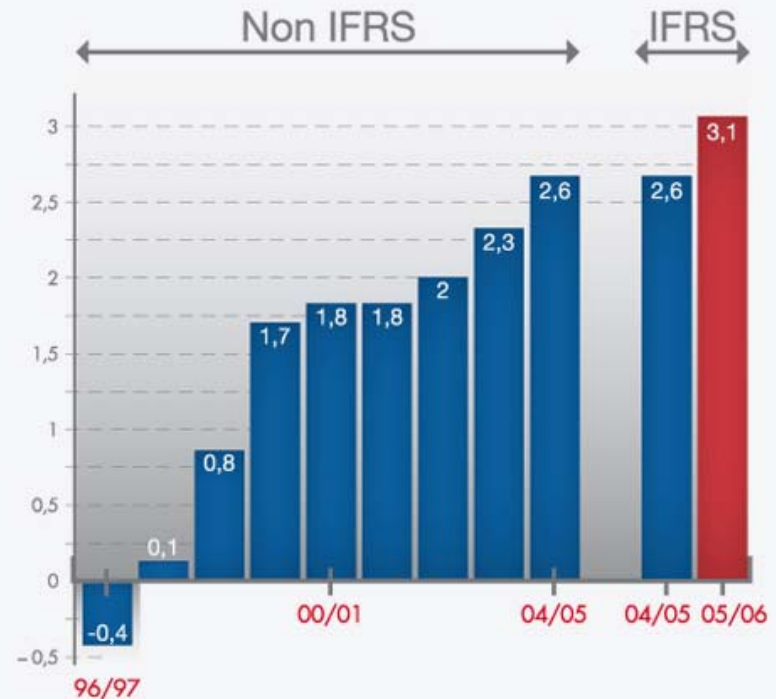
## Profit & loss (IFRS)

En milliers €	31/07/06 12 mois	31/07/05 12 mois	Évolution
Chiffre d'affaires	19 698	18 371	7,2 %
Autres produits d'exploitation	334	311	7,4%
Dont CIR	297	100	197,0%
Achats et charges externes	(5 142)	(5 595)	- 8,1%
Charges de personnel	(10 372)	(9 256)	12,1%
Impôts et taxes	(437)	(537)	- 18,6%
Dotations amort. et provisions	(833)	(582)	43,1%
Autres charges opérationnelles	(141)	(34)	N/S
Charges d'exploitation	16 925	16 004	5,8%
Résultat opérationnel courant	3 107	2 578	20,5%
Résultat net consolidé	2 053	1 750	17,3%

# Turnover and Operating Income



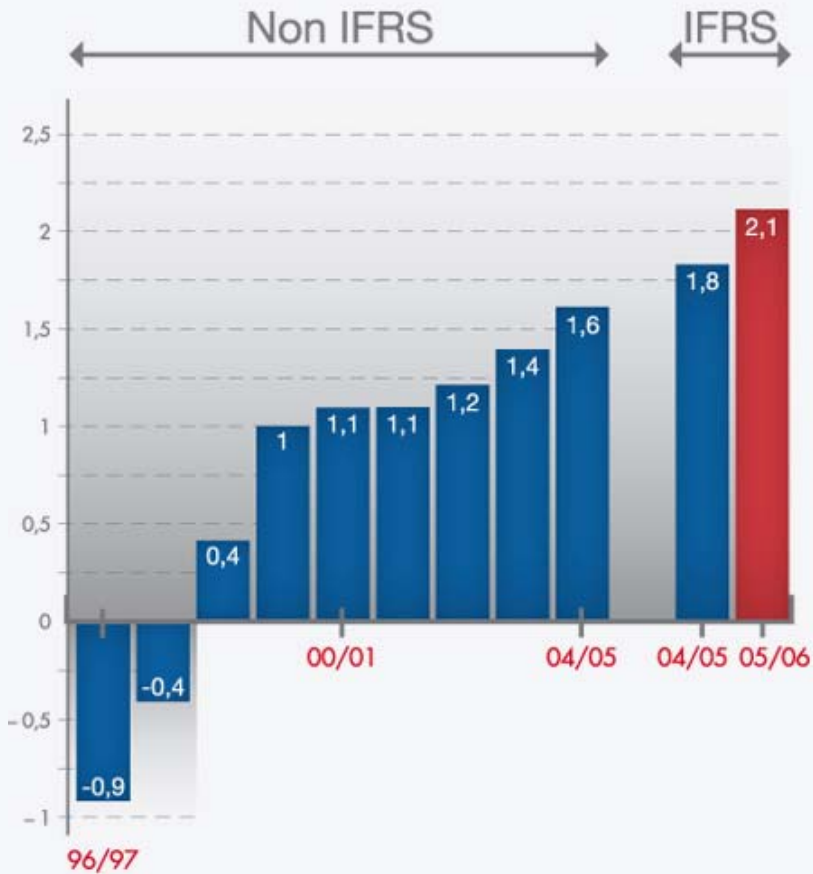
Global Turnover in MEUR



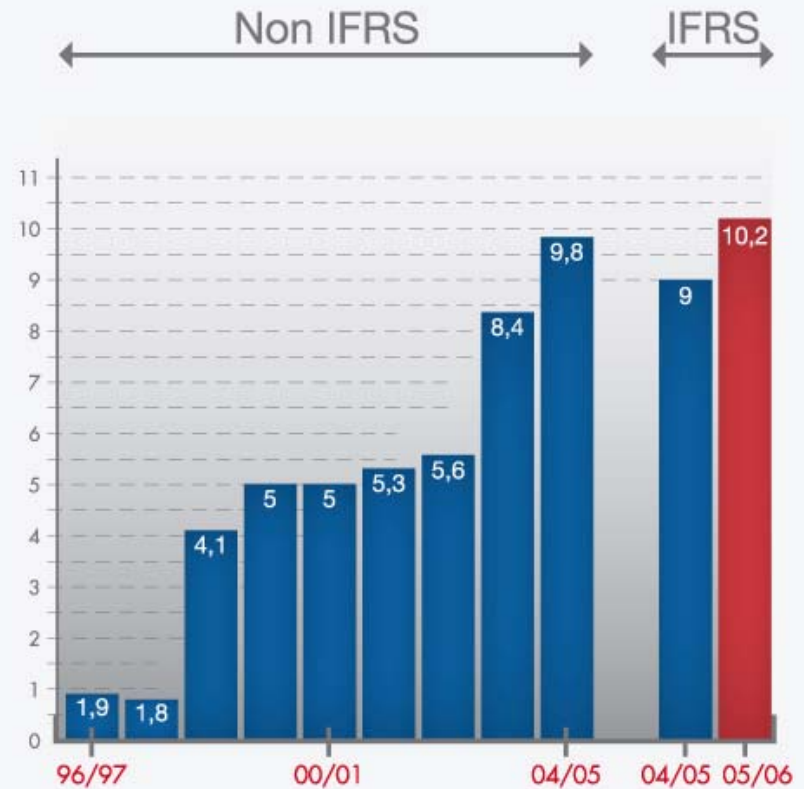
Operating Income in MEUR



# Net income and Cash



Net Income in MEUR



Cash in MEUR

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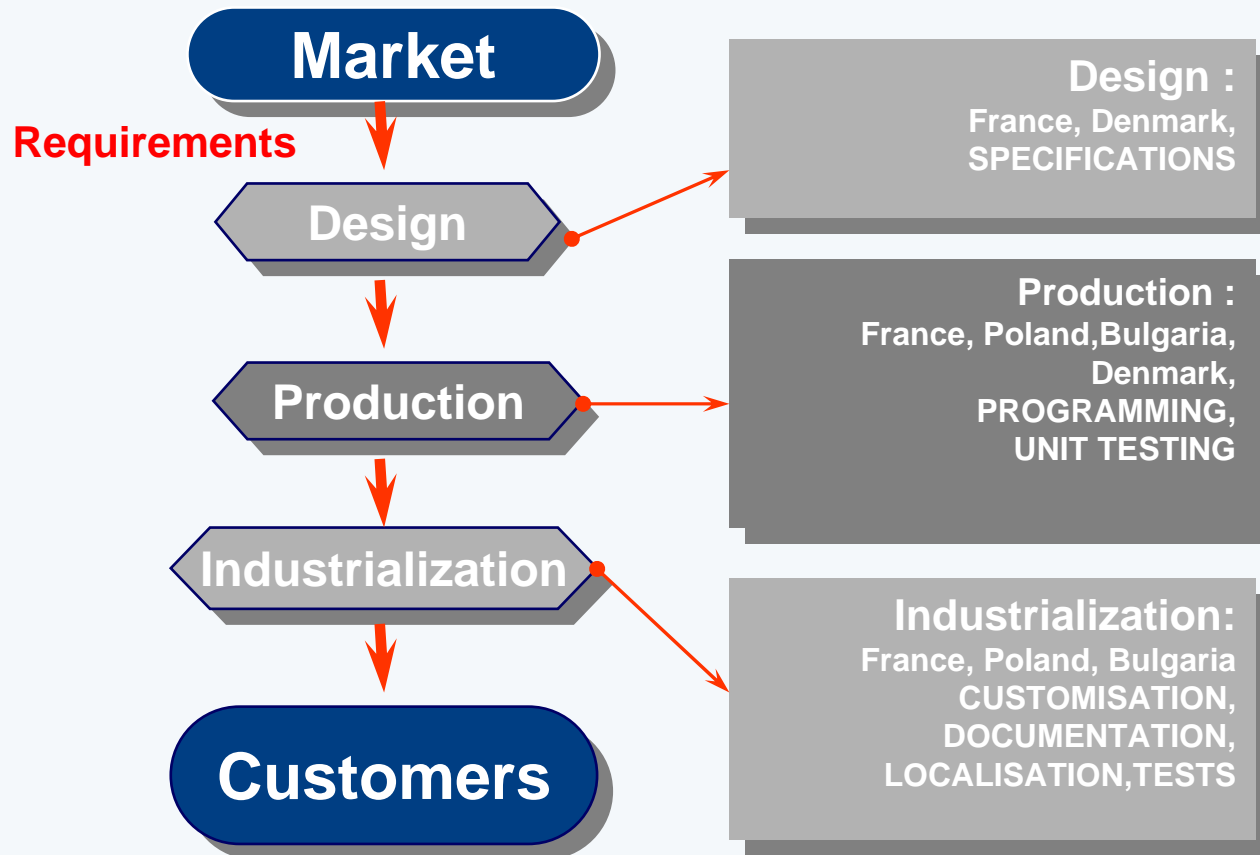
# Innovation

2005/2006 vs 2004/2005: R&D investments +7%,  
representing 21% of turnover (same as in 04/05.)



**CATIA V5 full Solution,  
Solidworks Solution,  
Full generative process for  
schematics production,  
Dimensioning & simulation,  
Harness manufacturing...**

# An efficient and cost-optimized organization





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## 3 markets



IGE+XAO's historical market



Launched by the end of the 90's



Launched in 2005

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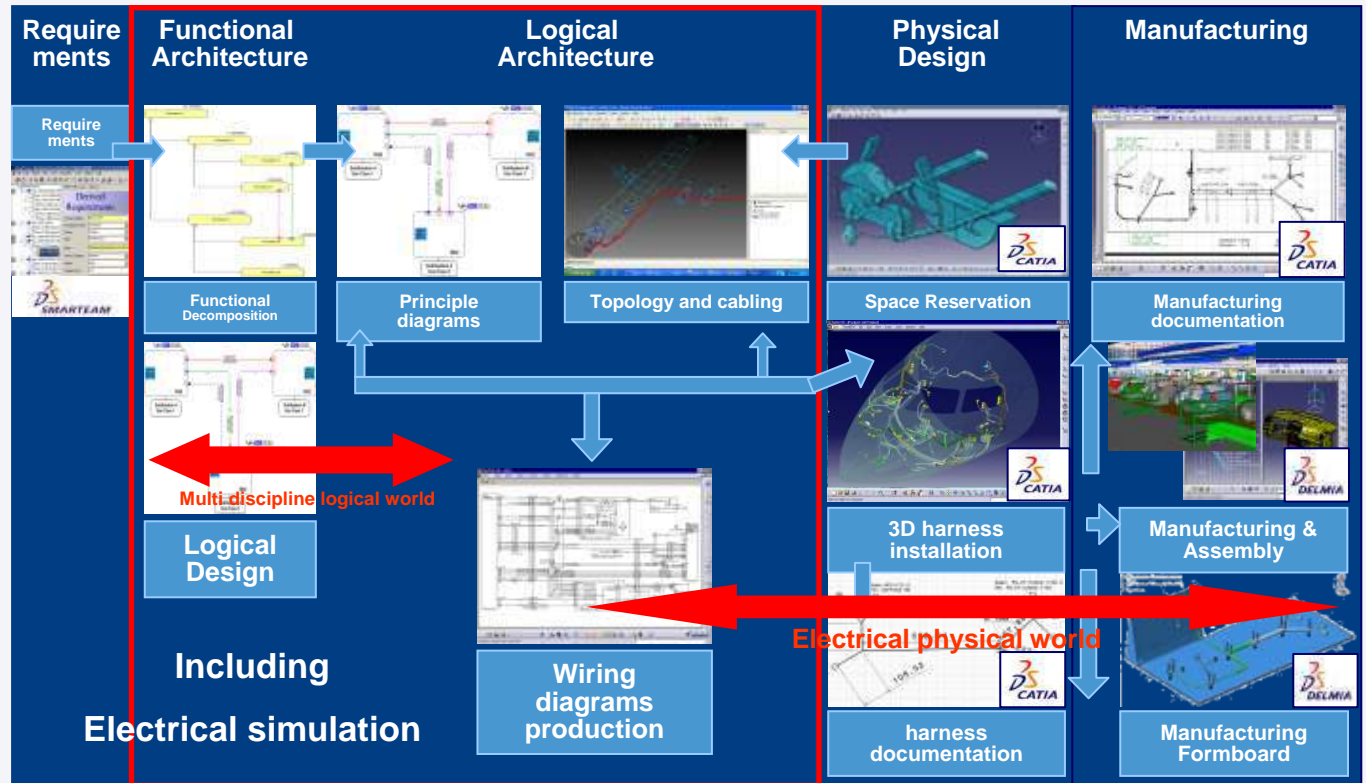
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# Harness Design Strategic Covering

- Having a complete and powerful Electrical PLM offer



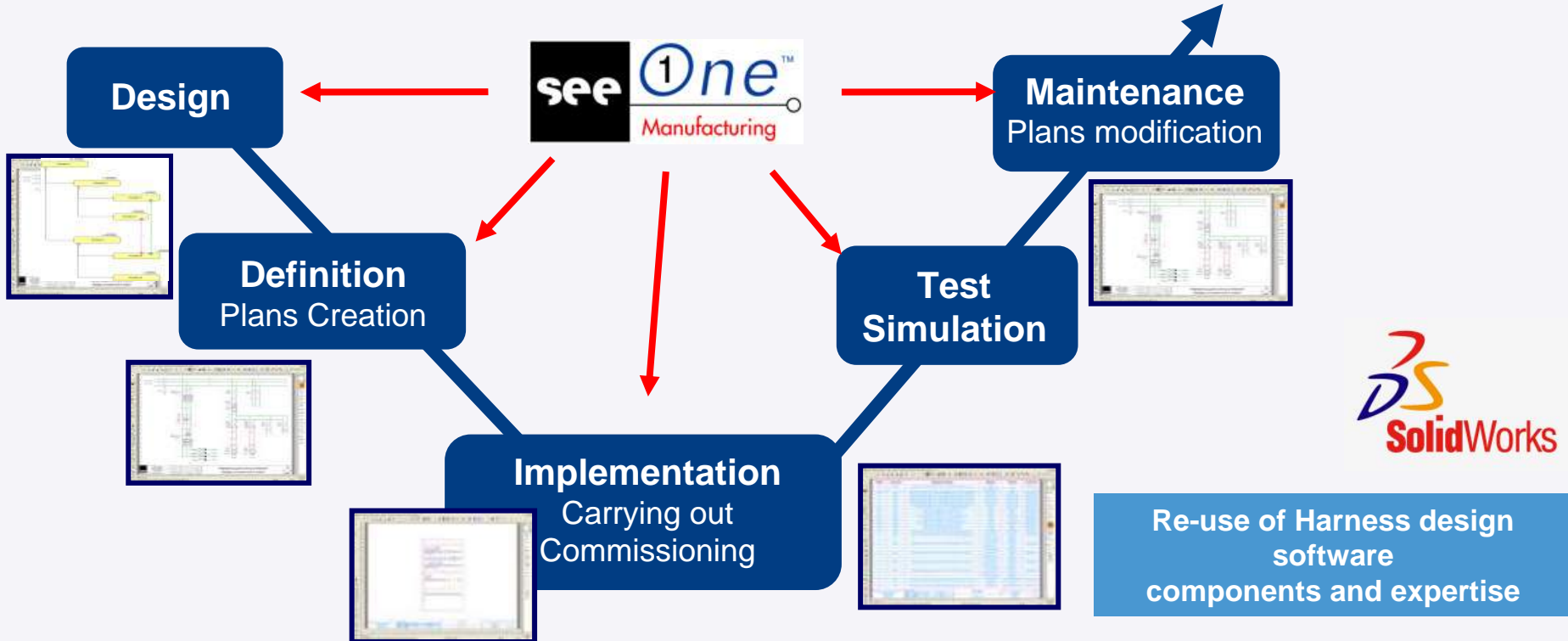
Customer savings target:  
40% of the design time





# Manufacturing Strategic Covering

- Covering all the Electrical installation life-cycle in relation with mechanical design and PLC programming



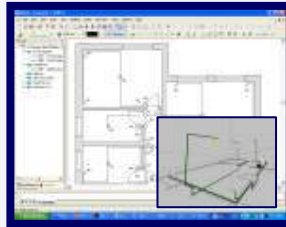
# Construction Strategic Covering

- Launching a professional offer dedicated to the construction market

Architect  
Plans



Electrical Equipment  
Installation  
Plans



One-line  
Diagrams



Electrical  
Calculations



Panel layout  
plans



**Schneider**  
Electric

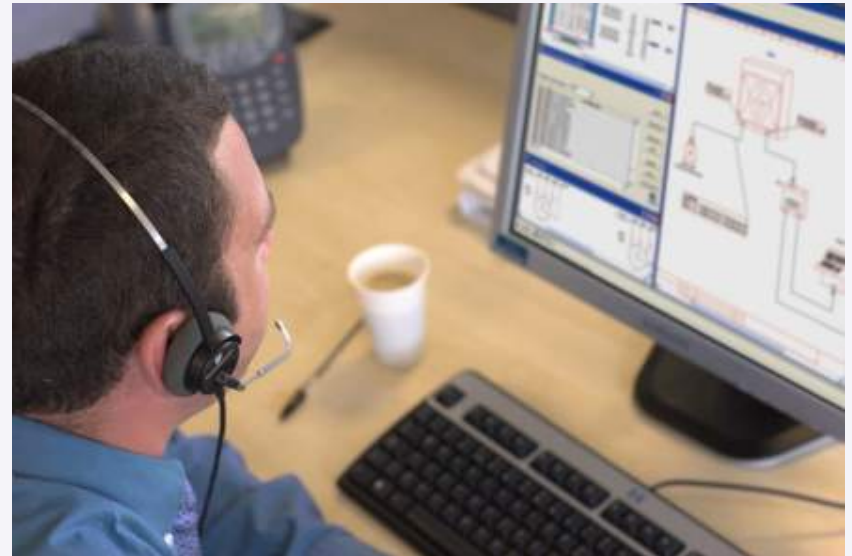


# Services portfolio

- Offer more than traditional training & support



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



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# Targeted areas

An open market



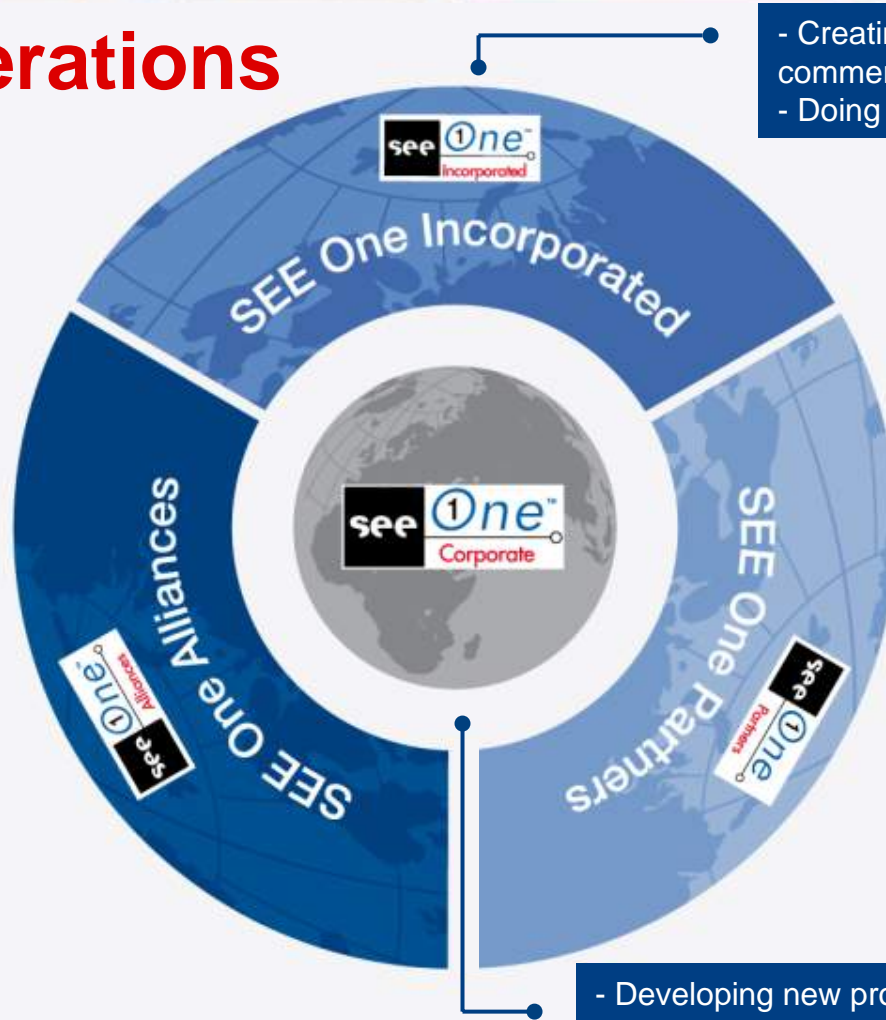


# Business Operations

- Growth Strategy



- Creating new joint-ventures
- Having minority interests



- Creating new consolidated commercial subsidiaries
- Doing acquisitions



- Having new partners:
  - Technology
  - Business



- Developing new products and new services
- Doing acquisitions

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# Forecast

High Level of net margin



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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 XX,
- 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,
  - + 46 000 users throughout the world.
- IGE+XAO portfolio:
  - 3 powerful ranges of software,
  - A complete offer of services.
- And:
  - 20 years of experience,
  - International network: 20 implantations in 13 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,
  - A nice future prospects.

Thank you !