

IGE+XAO
Société Anonyme with capital of 5,497,030 euros
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I. – HALF TERM CONSOLIDATED ACCOUNTS AS OF JANUARY 31, 2015

A. – CONSOLIDATED BALANCE SHEET

Assets (in euros '000s)	January 31, 2015	January 31, 2014	July 31, 2014
Acquisition of goodwill	2,953	2,088	2,953
Intangible fixed assets - net	388	113	361
Property and equipment - net	1,030	871	1,035
Deferred tax	741	655	1,042
Shares in the associated companies	340	--	--
Other long term assets - net	258	152	278
Non current assets	5,710	3,879	5,669
Account receivables	9,172	8,806	6,478
Tax credit	1,265	945	1,893
Other current assets	1,199	1,122	1,142
Cash and cash equivalents	28,502	25,816	27,321
Current assets	40,138	36,689	36,834
Assets	45,848	40,568	42,503
Liabilities (in euros '000s)	January 31, 2015	January 31, 2014	July 31, 2014
Common stock	5,497	5,497	5,497
Additional paid-in capital	1,911	1,911	1,911
Consolidated reserves	19,643	16,214	15,995
Net income	2,646	2,570	5,071
Shareholders' equities	29,697	26,192	28,431
Non-controlling interests	403	55	389
Total Shareholders' equities	30,100	26,247	28,827
Profit sharing	128	162	350
Pension reserves, other benefits	1,241	858	992
Financial debts – long term	610	308	657
Financial debt – dividends to pay	1,280	1,170	--
Deferred tax	30	6	153
Other non current debts	171	169	167
Non current liabilities	3,460	2,673	2,319
Current debts	740	698	819
Social debts	2,930	2,794	2,516
Taxes	1,491	1,473	1,228
Deferred income – short term	6,463	6,225	5,982
Other current debts : short term	131	--	131
Taxes	198	125	254
Other current debts	335	333	427
Current debts	12,288	11,648	11,357
Liabilities	45,848	40,568	42,503

B. CONSOLIDATED STATEMENT OF OPERATIONS

(in euros '000s)	January 31, 2015 6 months	January 31, 2014 6 months	July 31, 2014 12 months
Total revenues	13,168	12,570	26,260
Other operating revenues	497	441	940
Revenues from operating activities	<u>13,665</u>	<u>13,011</u>	<u>27,200</u>
Purchases			
Other external expenses	(3,015)	(2,611)	(5,843)
Payroll and benefits	(6,805)	(6,380)	(13,650)
Taxes	(289)	(235)	(520)
Provisions / long term assets	(190)	(277)	(547)
Other operating expenses, net	(12)	(73)	(77)
Operating expenses, net	<u>(10,311)</u>	<u>(9,576)</u>	<u>(20,637)</u>
Current operating income	3,355	3,435	6,563
Capital gains on shares	--	398	(358)
Impairment of non-current assets	--	(360)	398
Operating income	<u>3,355</u>	<u>3,473</u>	<u>6,603</u>
Interests on loans			(83)
Financial revenues	269	160	471
Financial expenses	(7)	(57)	(29)
Financial income (loss)	<u>262</u>	<u>103</u>	<u>359</u>
Income (loss) of the Group before tax	<u>3,616</u>	<u>3,576</u>	<u>6,962</u>
Tax and deferred tax	(935)	(1,007)	(1,857)
Part of net income (loss) in the associated companies	9	12	12
Net income (loss)	<u>2,690</u>	<u>2,581</u>	<u>5,117</u>
Allocated to :			
The Group	2,646	2,569	5,071
The Non-controlling interests	44	12	46
Number of shares, except own shares booked in deduction of the consolidated shareholders' equity	1,421,965	1,426,547	1,423,202
Earnings per share in euros	1.9	1.8	3.56
Net diluted earnings per share	1.9	1.8	3.56

C. STATEMENT OF COMPREHENSIVE INCOME

(in € '000s)	31 January 2015 (6 months)	31 January 2014 (6 months)	31 juillet 2014 (12 months)
Exchange differences resulting from foreign activities	69	(3)	5
Actuarial gains (loss) on lump-sum retirement payments with effect on deferred taxes	(144)	27	21
Other	4	14	12
Income and expenses recorded in shareholders' equity	(71)	38	38
Result of the period	2,646	2,581	5,117
Total income and expenses recorded over the period	2,575	2,619	5,155
Allocated to:			
- the Group	2,575	2,607	5,109
- the non-controlling interests	44	12	46
Total income and expenses recorded over the period	2,619	2,619	5,155

D. SHAREHOLDERS' EQUITY

Shareholders' equity (in € '000s)	Common stock and additional paid-in capital	Translation adjustment	Accumul. reserves	Shareholders' equity - part of the Group -	Minority interests	Shareholders' equity
Shareholders' equity as of July 31, 2012	7,408	73	13,724	21,205	65	21,270
Dividends			(1,092)	(1,092)	(23)	(1,116)
Revenues and expenses from the period		(54)	4,560	4,506	27	4,533
Adjustment on the own shares			(43)	(43)	--	(43)
Impact of the cancellation of the gains on own share sales			27	27	--	27
Scope variation		(60)	60	--	--	--
Shareholders' equity as of July 31, 2013	7,408	41	17,236	24,603	69	24,672
Dividends			(22)	(22)	300	278
Revenues and expenses from the period			(1,170)	(1,170)	(26)	(1,196)
Adjustment on the own shares		5	5,104	5,109	46	5,155
Impact of the cancellation of the gains on own share sales			(106)	(106)	--	(106)
Scope variation			24	24	--	24
Shareholders' equity as of July 31, 2014	7,408	(36)	21,066	28,438	389	28,827
Dividends			(1,280)	(1,280)	(30)	(1,310)
Revenues and expenses from the period		69	2,506	2,575	44	2,619
Adjustment on the own shares			(48)	(48)	--	(48)
Impact of the cancellation of the gains on own share sales			(16)	(16)	--	(16)
Scope variation			28	28	--	28
Shareholders' equity as of January 31, 2015	7,408	33	22,256	29,697	403	30,100

E. CONSOLIDATED STATEMENT OF CASH FLOWS

(in € '000s)	January 31, 2015	January 31, 2014	July 31, 2014
Flow of cash generated by the activity:			
Net income – Part of the Group	2,646	2,570	5,071
Increase (decrease) in Cash from :			
Non-controlling interests	44	12	46
Amortizations and provisions, net	409	572	737
Deferred tax	--	--	--
Part of the net income in the associated companies	(9)	(12)	--
Gain and loss on asset disposal	--	(398)	(398)
Others	--	--	--
Change in working capital	(1,346)	(1,342)	(400)
Net cash used in operating activities	<u>1,744</u>	<u>1,402</u>	<u>5,056</u>
Purchases of long-term tangible and intangible assets	(170)	(214)	(525)
Sales of long-term assets	--	--	8
Acquisition of long-term assets*	--	(18)	--
Proceeds from sale of equipment	(17)	--	(111)
Cash from change in the consolidation scope	(156)	169	(192)
Decrease in cash from net acquisitions	<u>(343)</u>	<u>(63)</u>	<u>(820)</u>
Dividends paid	--	--	(1,196)
Loans	--	--	42
Repayment of loans	(222)	--	(37)
Repayment of advances (Coface / OSEO)	--	(55)	(55)
Buyback of own shares	(63)	126	(82)
Others of which advances to be paid back	--	14	--
Decrease in cash from financing	<u>(285)</u>	<u>85</u>	<u>(1,328)</u>
Increase (decrease) in cash and cash equivalent	1,116	1,424	2,908
Incidences of changes in exchange rate	65	(10)	11
Net increase (decrease) in cash and cash equivalent	<u>1,181</u>	<u>1,414</u>	<u>2,919</u>
Cash and cash equivalent, beginning of year	27,321	24,402	24,402
Cash and cash equivalent, end of year	28,502	25,816	27,321
Net increase (decrease) in cash and cash equivalent	<u>1,181</u>	<u>1,414</u>	<u>2,919</u>

II. ACTIVITY REPORT

Over the first half of the 2014/2015 financial period, consolidated turnover for the IGE+XAO Group is 13,168,401 euros compared to 12,570,465 euros in 2013/2014, up 4.8%. This increase in activity would have been 6.2% (5.9% over the 1st quarter and 6.5% over the second quarter) under identical IFRS accounting standards. Indeed, due to the application of IFRS 11, the Group had to deconsolidate two subsidiaries, EHMS and S2E Consulting, without generating any modification in the percentage of holding, or any change within the governance of the Group in these two companies.

From a profitability standpoint, IGE+XAO is getting close to the exceptional level recorded over the 1st half one year earlier, with an operating margin and net margin respectively of 25.5% and 20.1%, both exceeding those from the financial period ended 31 July 2014 (25.1% and 19.3%). At the end of January 2015, operating income as such reached 3,354,544 euros and net income reached 2,646,410 euros.

This performance can be appreciated all the more so in that it is taking place during a period, on the one hand, of consolidating the actives of Prosyst, and on the other hand, of investments internationally with the integration of IGE+XAO Nordic in Denmark, the launching of a sales office in Moscow and the prefiguring of a location in South America. With regards to R&D, a major portion of the activity was devoted to implementing new 3D and Web infrastructures, to deploying PLM solutions in the railway sector and in preparing new versions of the Group's flagship software (SEE Electrical and its Expert and PLM versions).

Finally, from a financial standpoint, the Group is solidly structured with, at 31 January 2015, equity of 30 million euros, almost no bank debt and a cash flow of over 28 million euros.

* operating income in terms of turnover

** net income in terms of turnover

Note: The half-year financial statements closed out at 31 January 2015 underwent a limited review by the auditors of IGE+XAO and were approved by the Board of Directors on 26 March 2015.

ABOUT THE IGE+XAO GROUP

For over 28 years, the IGE+XAO Group has been a software publisher designing, producing, selling and ensuring the maintenance of a range of Computer Aided Design (CAD) and Product Lifecycle Management (PLM) software. These software products have been designed to help manufacturers in the design and maintenance of the electrical part of any type of installation. This type of CAD/PLM is called "Electrical CAD/PLM". IGE+XAO has built a range of Electrical CAD/PLM software designed for all the manufacturers. IGE+XAO employs 388 people around the world on 30 sites and in 19 countries, and has 82,375 licences. IGE+XAO is a reference in its field. For more information: <http://www.ige-xao.com>

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EnterNext© PEA-PME 150 index

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