

IGE+XAO
Société Anonyme with capital of 5,497,030 euros
Head Office : Immeuble « Le Pythagore », 25 Boulevard Victor Hugo, 31770 COLOMIERS
338 514 987 R.C.S. Toulouse

I. – HALF TERM CONSOLIDATED ACCOUNTS AS OF JANUARY 31, 2014

A. – CONSOLIDATED BALANCE SHEET

Assets (in euros '000s)	January 31, 2014	January 31, 2013	July 31, 2013
Acquisition of goodwill	2,088	822	822
Intangible fixed assets - net	113	62	92
Property and equipment - net	871	809	777
Deferred tax	655	650	707
Shares in the associated companies	--	1,054	1,130
Other long term assets - net	152	78	136
Non current assets	3,879	3,475	3,664
Account receivables	8,806	8,460	6,298
Tax credit	945	843	1,369
Other current assets	1,122	892	1,061
Cash and cash equivalents	25,816	22,523	24,402
Current assets	36,689	32,718	33,130
Assets	40,568	36,193	36,794
Liabilities (in euros '000s)	January 31, 2014	January 31, 2013	July 31, 2013
Common stock	5,497	5,497	5,497
Additional paid-in capital	1,911	1,911	1,911
Consolidated reserves	16,214	12,669	12,591
Net income	2,570	2,262	4,604
Shareholders' equities	26,192	22,339	24,603
Non-controlling interests	55	57	69
Total Shareholders' equities	26,247	22,396	24,672
Profit sharing	162	222	320
Pension reserves, other benefits	858	809	859
Financial debts – long term	308	350	350
Financial debt – dividends to pay	1,170	1,131	1
Deferred tax	6	21	30
Other non current debts	169	65	129
Non current liabilities	2,673	2,598	1,689
Current debts	698	899	1,272
Social debts	2,794	2,699	2,234
Taxes	1,473	1,676	1,481
Deferred income – short term	6,225	5,520	4,965
Other current debts : short term	--	52	--
Taxes	125	143	163
Other current debts	333	210	318
Current debts	11,648	11,199	10,433
Liabilities	40,568	36,193	36,794

B. CONSOLIDATED STATEMENT OF OPERATIONS

(in euros '000s)	January 31, 2014 6 months	January 31, 2013 6 months	July 31, 2013 12 months
Total revenues	12,570	11,812	24,569
Other operating revenues	441	501	950
Revenues from operating activities	<u>13,011</u>	<u>12,313</u>	<u>25,519</u>
Purchases			
Other external expenses	(2,611)	(2,543)	(5,409)
Payroll and benefits	(6,380)	(6,265)	(13,092)
Taxes	(235)	(237)	(460)
Provisions / long term assets	(277)	(273)	(570)
Other operating expenses, net	(73)	(13)	(73)
Operating expenses, net	<u>(9,576)</u>	<u>(9,331)</u>	<u>(19,604)</u>
Current operating income	3,435	2,982	5,915
Capital gains on shares	398	--	--
Impairment of non-current assets	(360)	--	--
Operating income	<u>3,473</u>	<u>2,982</u>	<u>5,915</u>
Interests on loans		--	--
Financial revenues	160	212	397
Financial expenses	(57)	(60)	(88)
Financial income (loss)	<u>103</u>	<u>152</u>	<u>309</u>
Income (loss) of the Group before tax	<u>3,576</u>	<u>3,134</u>	<u>6,224</u>
Tax and deferred tax	(1,007)	(926)	(1,740)
Part of net income (loss) in the associated companies	12	66	141
Net income (loss)	<u>2,581</u>	<u>2,274</u>	<u>4,625</u>
Allocated to :			
The Group	2,569	2,262	4,604
The Non-controlling interests	12	12	21
Number of shares, except own shares booked in deduction of the consolidated shareholders' equity	1,426,547	1,425,489	1,424,002
Earnings per share in euros	1.8	1.58	3.22
Net diluted earnings per share	1.8	1.59	3.23

C. STATEMENT OF COMPREHENSIVE INCOME

(in € '000s)	31 January 2014 (6 months)	31 January 2013 (6 mois)	31 juillet 2013 (12 mois)
Exchange differences resulting from foreign activities	(3)	18	(54)
Actuarial gains (loss) on lump-sum retirement payments with effect on deferred taxes	27	(32)	(42)
Other	14	2	4
Income and expenses recorded in shareholders' equity	38	(12)	(92)
Result of the period	2,581	2,274	4,625
Total income and expenses recorded over the period	2,619	2,262	4,533
Allocated to:			
- the Group	2,607	2,251	4,506
- the non-controlling interests	12	11	27
Total income and expenses recorded over the period	2,619	2,262	4,533

D. SHAREHOLDERS' EQUITY

Shareholders' equity (in € '000s)	Common stock and additional paid-in capital	Translation adjustment	Accumul. reserves	Shareholder s' equity - part of the Group -	Minority interests	Shareholder s' equity
Shareholders' equity as of July 31, 2011	8,001	30	13,641	21,672	60	21,732
Dividends			(891)	(891)	(21)	(912)
Revenues and expenses from the period		43	4,234	4,277	26	4,303
Adjustment on the own shares	(593)		(3,245)	(3,838)	--	(3,838)
Impact of the cancellation of the gains on own share sales			18	18	--	18
Repurchase of shares without control			(33)	(33)	--	(33)
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			(1,144)	(1,144)	(26)	(1,170)
Revenues and expenses from the period		(3)	2,610	2,607	12	2,619
Adjustment on the own shares			106	106	--	106
Impact of the cancellation of the gains on own share sales			20	20	--	20
Scope variation						
Shareholders' equity as of January 31, 2014	7,408	(44)	18,828	26,192	55	26,247

E. CONSOLIDATED STATEMENT OF CASH FLOWS

(in € '000s)	January 31, 2014	January 31, 2013	July 31, 2013
Flow of cash generated by the activity:			
Net income – Part of the Group	2,570	2,262	4,604
Increase (decrease) in Cash from :			
Non-controlling interests	12	12	21
Amortizations and provisions, net	572	154	372
Deferred tax			
Part of the net income in the associated companies	(12)	(66)	(107)
Gain and loss on asset disposal	(398)	--	--
Others		5	1
Change in working capital	(172)	302	(15)
Net cash used in operating activities	<u>2,572</u>	<u>2,669</u>	<u>4,876</u>
Purchases of long-term tangible and intangible assets	(214)	(199)	(319)
Sales of long-term assets	--	--	--
Acquisition of long-term assets*	(18)	--	54
Proceeds from sale of equipment		33	
Cash from change in the consolidation scope	169	--	
Decrease in cash from net acquisitions	<u>(63)</u>	<u>(166)</u>	<u>(373)</u>
Dividends paid	(1,170)	(1,145)	(1,116)
Buyback of own shares	(55)	39	(92)
Repayment of loans	126	--	(18)
Others of which advances to be paid back	14	(40)	5
Decrease in cash from financing	<u>(1,085)</u>	<u>(1,146)</u>	<u>(1,221)</u>
Increase (decrease) in cash and cash equivalent	1,424	1,357	3,282
Incidences of changes in exchange rate	(10)	(32)	(77)
Net increase (decrease) in cash and cash equivalent	<u>1,414</u>	<u>1,325</u>	<u>3,205</u>
Cash and cash equivalent, beginning of year	24,402	21,197	21,197
Cash and cash equivalent, end of year	25,816	22,522	24,402
Net increase (decrease) in cash and cash equivalent	<u>1,414</u>	<u>1,325</u>	<u>3,205</u>

II. ACTIVITY REPORT

Over the first half of the 2013/2014 financial period, consolidated turnover for the IGE+XAO Group is up 6.4%, amounting to 12,570,465 euros compared to 11,812,132 euros one year earlier. Commercial activity benefited from good momentum in the Major Accounts activity, in France as well as abroad. From a technical standpoint, the period was dense with the release of the new version V7R2 of SEE Electrical (electrical Computer Aided Design software for the SME-SMI market) and the launching of SEE Web Catalogue, a new service that allows electrical equipment catalogues to be downloaded and used directly in IGE+XAO software.

The favourable change in turnover was accompanied by good control of operating expenses (+2.6%), resulting in a sharp progression in the Group's profitability. As such, operating income reached 3,473,485 euros, up sharply (+16.5%) compared to the first half of 2012/2013, while net income amounted to 2,568,713 euros, which is growth of 13.5%. Finally, the company's profitability ratios are increasing substantially with an operating margin* that has gained 2.4 points, reaching 27.6% and a net margin** that has crossed the 20% line, now at 20.4%.

From a financial standpoint, IGE+XAO has improved its structure with, at 31 January 2014, equity of 26 million euros, almost no bank debt and a cash flow of nearly 26 million euros.

Backed with its results and its solid fundamentals, the Group, while still preserving its high level of profitability, intends to pursue its development by combining sustainable organic growth with opportunities for external growth.

* operating income in terms of turnover
* net income in terms of turnover

Note: The half-year financial statements closed out at 31 January 2014 underwent a limited review by the auditors of IGE+XAO and were approved by the Board of Directors on 24 March 2014.

ABOUT THE IGE+XAO GROUP:

For over 27 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 385 people around the world on 29 sites and in 17 countries, and has 79,725 licences. IGE+XAO is a reference in its field. For more information: <http://www.ige-xao.com>

IGE+XAO GROUP CONTACTS:

IGE+XAO Group, 25 Boulevard Victor Hugo - BP 90312 - 31773 Colomiers cedex - France

Phone: +33 (0)5 62 74 36 36 - Fax: +33 (0)5 62 74 36 37 - www.ige-xao.com

Listed on NYSE Euronext Paris – Compartment C - ISIN FR 0000030827

Analysts/ Investors contact: Alain Di Crescenzo (Chairman of the Group): +33 (0)5 62 74 36 36

Press contact: Rozenn Nerrand-Destouches: +33 (0)5 62 74 36 02