

# Press Release

September 10, 2008



## Half-Yearly results for 2008

**Good progress on the transformation plan despite a negative operating result.**

In thousands of EUR	June 2008	June 2007
Turnover	57.5	57.4
Current Operating Result	0.2	1.5
Operating Result	(0.5)	1.0
Net income (Group's share)	(1.0)	0.5

**Levallois, September 10, 2008:** The **Keyrus Group** reported a consolidated turnover of 57.5 million EUR in the First Half of 2008, up + 4.5 % in comparison to the First Half of 2007, on like-for-like pro-forma basis (adjusted for operations held for sale - Alpha Mega - and those acquired - Trilogia – in 2007).

Beyond this growth, a highly contrasting financial statement of the Group's operations has led to an operating result of € (0.5) M and a net income of €(1) M in the First Half of 2008.

- A transformation for the Mid-Market operation has been made. A sharp rise in ROP is seen in the First Half (S1) of 2008, and one could now aim at reaching operating margins similar to those of big players present in the segment.
- A transformation relative to the operation of Large Corporates, which heavily relies on the S1 operating margin, but of which both merit and need are not reconsidered. In particular, the transformation of Île-de-France - historic core of **Keyrus** - has witnessed significant failures in this half. This has resulted in a negative ROP over this period.

Today, this situation has been rendered stable, and the most important pipeline activities have been carried out.

### **An industrial project that does not cease to progress.**

On the strategic front, the operations of Large Corporates have progressed with newly mastered skills so as to meet increasing demand:

- First success with regard to Enterprise sales: Contracts that combine phases of business consultancy until implementation, third-party Decision support maintenance spanning several years, which also includes maintenance of offshore equipment, contracts that consolidate our BI and WEB know-how, and those that integrate the latest innovative technologies in the market ... with new references: Accor, AP-HP, Belgacom, El Corte Ingles, Eiffage, Sanitas, Shop&Marks, Swiss Re ...;
- Nearshore/Offshore delivery capabilities (Tunisia, Brazil, Mauritius) growing rapidly to serve our markets as a whole.

The specialisation of Mid-Market operations, marketed by **Absys Cyborg** with emphasis on solutions offered by two strategic partners, Microsoft and Sage, has borne fruit with a sharp increase in turnover (+ 9% organic increase) and in order entries.

### Capital structure

On June 30, 2008, while the Equity value touched € 26.8 M, the cash flow statements, generated by S1 operations, touched € (0.3) M. Moreover, the net debt of the Group has risen to € 10.4 M as at June 30, 2008.

### Prospects

For the Second Half (S2) of 2008, the Management shall keenly focus on finalising transformation plan relative to operations of Large Customers. Besides, improving economic performance, in which the Management expects a significant turnaround in S2, shall also be emphasised.

On November 4, 2008 **Keyrus** shall publish the sales figure of third quarter, 2008, after the market close.

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## ABOUT KEYRUS

**A major player in consulting and integration of Business Intelligence and e-Business solutions for Large Corporates and ERP/CRM solutions for the Mid Market segment, Keyrus has been helping its clients optimise their performance by offering them a comprehensive range of services in the following fields:**

- **Business Intelligence, Performance Management**
- **e-Business**
- **Integrated Management Systems for the Company**

**Keyrus** currently employs more than 1,300 people in 9 countries: France – Belgium - Brazil – Canada – Spain – Luxembourg – Mauritius – Switzerland – Tunisia.

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