

**1<sup>ST</sup> HALF-YEAR 2010: RETURN TO GROWTH,  
SIGNIFICANT IMPROVEMENT IN PROFITABILITY  
RENEWED AMBITION FOR 2012**

**Vélizy, 31 August 2010** - Osiatis, a Software Engineering company specialised in infrastructure services, publishes today its consolidated financial statements for the 1<sup>st</sup> half of the 2010 financial year.

Osiatis is one of France's leading software engineering companies, recognised as a leader in IT infrastructure services, as well as in new technology developments with its subsidiary, Osiatis Ingénierie.

The Group employs a workforce of over 3,000 and is established in France, the Benelux countries, Spain and Austria.

Osiatis is listed on Eurolist by Euronext Paris - Compartment C of NYSE Euronext (ISIN: FR0004044337) and is included in the MIDCAC and SBF SM indices.

Ticker: OSA  
Bloomberg: OSA.FP  
Reuters: OSA.PA

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**Highlights**

The 1<sup>st</sup> half of 2010 featured a return to sales growth (up 2.3% to € 120 million), a continuing improvement in profitability with gross profit margin of 6.6% (up 1% point) and net profit of 4.1% of sales (up 1.1 pp). The Group also reduced its net financial debt to € 3.7 million, after taking into account the payment of a first dividend of € 0.30 per share, totalling € 4.4 million. In July, Osiatis acquired Astek Group's Paris region infrastructure management operations, thereby strengthening its core business. The acquired business unit achieved sales of € 8 million in 2009 and has been consolidated since 1 August 2010.

Consolidated income statement (€ millions)	HY1 2010	HY1 2009 restated*	% change
<b>Sales</b>	<b>120.0</b>	<b>117.4</b>	<b>2.3%</b>
<b>Gross profit</b>	<b>8.0</b>	<b>6.6<sup>(1)</sup></b>	<b>21.6%</b>
<b>As % of sales</b>	<b>6.6%</b>	<b>5.6%</b>	<b>1 pp</b>
Profit from recurring operations	8.0	6.5 <sup>(2)</sup>	22.0%
Operating profit	7.6	6.1 <sup>(3)</sup>	25.9%
Net finance income (expense)	0.5	(0.2)	
Income tax	(3.2)	(2.3) <sup>(4)</sup>	
<b>Net profit</b>	<b>4.9</b>	<b>3.5</b>	<b>38.9%</b>
<b>As % of sales</b>	<b>4.1%</b>	<b>3.0%</b>	<b>1.1 pp</b>
Net profit – Group share	4.9	3.5	39.3%

\* Data for the first half of 2009 was restated following the reclassification of the CET tax as income tax in 2010, which resulted in a € 1.1 million reclassification from tax and duties (a gross profit item) to income tax in the first half of 2009  
(<sup>1</sup>) as reported: € 5.5 million - (<sup>2</sup>) as reported: € 5.5 million - (<sup>3</sup>) as reported: € 5.0 million - (<sup>4</sup>) as reported: € 1.2 million

**Sales growth over the 1<sup>st</sup> half of 2010**

Osiatis reports sales of € 120.0 million, a 2.3% increase compared to the 1<sup>st</sup> half of 2009. The Group continued to expand in international markets, which represented 15% of consolidated sales, and enjoyed renewed growth in France with sales of € 102.4 million, a 1.3% increase. Infrastructure Services, which is the Group's core business representing 87% of consolidated sales, reported sales of € 105.0 million, up 4.7% compared to the 1<sup>st</sup> half of 2009, including 4% growth in France.

New Technology Developments declined by 12.2%, adversely affected by the completion of a systems integration contract and a lacklustre business performance.

**Improved profitability and significant cash generation**

Gross profit in international markets totalled € 2.1 million, i.e. 11.9% of international sales, an increase of 1.3 pp. It grew by 21.6% in France to € 5.9 million, representing 5.7% of domestic sales. Analysed by business segment, gross profit margin of infrastructure services increased by 32% compared to HY1 2009 to € 7.7 million, whereas that of new technology developments declined by 2.5 pp to 1.6%.

Net finance income came to € 0.5 million, after taking into account the reduction in debt and the € 0.8 million provision reversal related to the bond receivable associated with the merger with Focal Group, which fell due over the period. Net profit – Group share was bolstered by these items and totalled € 4.9 million, a 39% increase compared to HY1 2009.

In addition, the Group strengthened its balance sheet after distributing dividends, due to cash inflows from operating activities of € 6.1 million. The gearing ratio<sup>(5)</sup> amounted to 0.06, compared to shareholders' equity of € 62.1 million.

#### **2010 outlook: growth and profitability**

Within a general economic environment that remains uncertain in Europe for the end of the year, Osiatis is targeting continued growth, both in France and internationally and forecasts a further increase in its full-year gross profit margin.

#### **Renewed ambition for 2012**

Osiatis' ambition is to consolidate its leadership in infrastructure transformation and facility management services and related application software.

To that end, the Group intends to draw on its sound foundations and capacity for growth through acquisition, seize market opportunities offered by Cloud Computing and expand its offering, especially in consulting and engineering.

With organic growth in excess of the facility management market and a gross profit margin at least equal to 7%, the Group's objective is to build one of the best growth and profitability profiles in the sector, with a view to making Osiatis the market leader in infrastructure services.

**Shareholders' agenda:** Publication of 3<sup>rd</sup> quarter 2010 sales on Tuesday 9 November 2010 after close of trading.

<sup>(5)</sup> Net financial debt to consolidated shareholders' equity