

IGE+XAO

Société Anonyme with capital of 5,497,030 euros
Head office: 16, Boulevard Déodat de Séverac
31770 COLOMIERS
338 514 987 RCS Toulouse
SIRET: 338 514 987 000 76 – VAT number: FR 783.385.149.87

2016 / 2017 CONSOLIDATED ACCOUNTS

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I. – ANNUAL CONSOLIDATED ACCOUNTS AS OF JULY 31, 2017**A. CONSOLIDATED BALANCE SHEET**

Assets(in euros '000s)	July 31, 2017	July 31, 2016	July 31, 2015
Goodwill	2,777	2,777	2,878
Intangible assets - net	422	380	418
Property and equipment - net	1,168	1,125	1,039
Deferred tax	803	837	1,010
Shares in the associated companies	375	424	315
Other long term assets - net	180	181	192
Non current assets	5,725	5,725	5,852
Account receivable	8,105	7,404	7,064
Tax credit	2,240	2,258	1,922
Other current assets	1,351	1,459	1,233
Cash and cash equivalents	30,905	33,944	30,355
Current assets	42,601	45,065	40,574
Assets	48,326	50,790	46,426
Liabilities (in euros '000s)	July 31, 2017	July 31, 2016	July 31, 2015
Common stock	5,497	5,497	5,497
Additional paid-in capital	1,911	1,911	1,911
Consolidated retained earnings	19,148	23,250	19,609
Accumulated translation adjustment	(91)	(61)	49
Net income	5,782	5,489	5,290
Shareholders' equities	32,247	36,086	32,356
Non-controlling interests	496	449	452
Total shareholders' equities	32,743	36,535	32,808
Profit sharing	412	344	309
Pension reserves	1,481	1,284	1,250
Financial debts – long term	264	337	419
Deferred income – long term	--	--	--
Deferred tax	55	52	53
Other non current debts	413	413	343
Non current liabilities	2,625	2,430	2,374
Account payable	748	716	797
Social debts	2,556	2,518	2,258
Taxes	7,327	6,441	5,967
Deferred income – short term	63	81	257
Taxes	346	267	340
VAT and taxes	1,649	1,430	1,294
Other current debts	269	372	331
Current liabilities	12,958	11,825	11,244
Liabilities	48,326	50,790	46,426

B. CONSOLIDATED STATEMENT OF OPERATIONS

(in euros '000s)	July 31, 2017	July 31, 2016	July 31, 2015
Total revenues	29,439	28,118	27,337
Other operating revenues	908	1,261	996
Revenues from operating activities	30,347	29,379	28,333
Other external expenses	(6,558)	(6,237)	(6,094)
Payroll and benefits	(14,940)	(14,688)	(14,175)
Taxes	(468)	(443)	(523)
Amortizations and provisions	(434)	(606)	(630)
Operating expenses, net	(22,400)	(22,030)	(21,502)
Current operating income (loss)	7,947	7,349	6,832
Operating income	7,947	7,349	6,832
Interests on loans	384	380	408
Financial revenues	83	37	107
Financial expenses	(190)	(43)	(132)
Income (loss) of the Group before tax	8,224	7,723	7,315
Tax charge and deferred tax	(2,315)	(2,213)	(1,925)
Part of net income (loss) in the associated companies	(52)	2	(20)
Net income (loss)	5,857	5,512	5,370
Allocated to :			
The Group	5,782	5,489	5,290
The non-controlling interests	75	23	80
Number of shares, except own shares booked in deduction of the consolidated shareholders' equity	1,333,069	1,418,499	1,422,699
Earnings per share in euros	4.05	3.87	3.72
Net diluted earnings per share	4.34	3.87	3.72

C. REVENUES AND EXPENSES FOR THE PERIOD

(in € '000s)	July 31, 2017	July 31, 2016	July 31, 2015
Exchange gains (losses)	(30)	(110)	85
Actuarial gains (losses) on pensions (retirement)	(27)	61	(131)
Others	(4)	--	(3)
Incomes and losses directly booked in shareholders' equities	(61)	(49)	(49)
Net income	5,857	5,512	5,370
Revenues and expenses from the period	5,796	5,463	5,321
Allocated to :			
- The Group	5,702	5,441	5,245
- The non-controlling interests	94	22	76
Total : revenues and expenses from the period	5,796	5,463	5,321

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 -	Non- controlling interests	Shareholder s' equity
Shareholders' equity as of July 31, 2014	7,408	(36)	21,066	28,438	389	28,827
Perimeter variation	--	--	--	--	--	--
Dividends	--	--	(1,280)	(1,280)	(29)	(1,309)
Revenues and expenses from the period	--	85	5,160	5,245	76	5,321
Adjustment on the own shares	--	--	(27)	(27)	--	(27)
Impact of the cancellation of the gains on own share sales	--	--	(4)	(4)	--	(4)
Shareholders' equity as of July 31, 2015	7,408	49	24,915	32,372	436	32,808
Perimeter variation	--	--	--	--	--	--
Dividends	--	--	(1,420)	(1,420)	(29)	(1,449)
Revenues and expenses from the period	--	(110)	5,551	5,441	22	5,463
Adjustment on the own shares	--	--	(295)	(295)	--	(295)
Impact of the cancellation of the gains on own share sales	--	--	8	8	--	8
Shareholders' equity as of July 31, 2016	7,408	(61)	28,759	36,106	429	36,535
Perimeter variation	--	--	--	--	--	--
Dividends	--	--	(2,030)	(2,030)	(27)	(2,057)
Revenues and expenses from the period	--	(30)	5,732	5,702	94	5,796
Adjustment on the own shares	--	--	(7,564)	(7,564)	--	(7,564)
Impact of the cancellation of the gains on own share sales	--	--	33	33	--	33
Shareholders' equity as of July 31, 2017	7,408	(91)	24,930	32,247	496	32,743

E. CONSOLIDATED STATEMENT OF CASH FLOWS

(in € '000s)	July 31, 2017	July 31, 2016	July 31, 2015
Flow of cash generated by the activity :			
Net income – Part of the Group	5,782	5,489	5,290
Increase (decrease) in Cash from : :			
Non-controlling interests	77	22	80
Amortizations and provisions, net	474	607	494
Part in the net income and dividend received from the associated companies	52	(2)	20
Gain and loss on asset disposal	(14)	(12)	2
Increase (decrease) in current assets and liabilities :	305	(453)	(1,569)
Net cash used in operating activities	6,676	5,651	4,317
Purchases of long-term intangible and tangible assets	(428)	(375)	(237)
Sales of long-term assets	31	13	--
Acquisition of long-term assets	(2)	(1)	(1)
Proceeds from sale of equipment	1	13	65
Cash from change in the consolidation scope	--	--	(156)
Decrease in cash from net acquisitions	(398)	(350)	(329)
Dividends paid	(2,057)	(1,450)	(1,309)
Loans	--	--	231
Repayments of loans	(91)	(263)	(157)
Financial advances (Coface)	--	--	(159)
Purchase of own shares	(7,530)	(287)	(27)
Net financial interests paid	384	380	408
Others	--	4	(4)
Decrease in cash from financing	(9,294)	(1,616)	(1,017)
Increase (decrease) in cash and cash equivalent	(3,016)	3,685	2,971
Incidences of changes in exchange rate	(23)	(96)	63
Net increase (decrease) in cash and cash equivalent	(3,039)	3,589	3,034
Cash and cash equivalent, beginning of year	33,944	30,355	27,321
Cash and cash equivalent, end of year	30,905	33,944	30,355
Net increase (decrease) in cash and cash equivalent	(3,039)	3,589	3,034

II. – ACTIVITY REPORT

Over the 2016/2017 financial period, turnover for the IGE+XAO Group is up 4.7%. This growth is accompanied by a substantial change in profitability with operating income reaching 7,945,550 euros, which is a margin of 27%** , and total consolidated net income of 5,857,121 euros bring the net margin to 19.9%***. This change is remarkable all the more so in that it is taking place in a downward context of 25.6% in the amount of the Research Tax Credit.

With regards to Research and Development, activity was dynamic with particular efforts on software for the design and manufacture of electrical cabinets in 3D, maintenance and troubleshooting on the Cloud and advanced management of electrical equipment catalogues.

Over the beginning of the current financial period and in line with the last two quarters of 2016/2017 financial period, IGE+XAO is observing a favourable change in the activity which should continue on the 1st quarter bringing more than 10% growth. Loyal to its economic model, this good trend will be accompanied by a high level of profitability.

* The consolidated financial statements were approved by the Board of Directors on 25 October 2017 and will be submitted for approval to the Annual Shareholders' Meeting.

** Operational margin: operating income / turnover

*** Net margin: net income / turnover

ABOUT THE IGE+XAO GROUP

For over 31 years, the IGE+XAO Group has been a software publisher designing, producing, selling and supporting a range of Computer Aided Design (CAD), Product Lifecycle Management (PLM) and Simulation software dedicated to Electrical Engineering. 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/Simulation is called "Electrical CAD/PLM/Simulation". IGE+XAO has built a range of Electrical CAD/PLM/Simulation software designed for all the manufacturers. IGE+XAO employs 385 people around the world at 33 sites and in 22 countries, and has more than 88,595 licences distributed around the world. IGE+XAO is a reference in its field. For more information: <http://www.ige-xao.com>.

IGE+XAO GROUP CONTACTS

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