

IGE+XAO
Société Anonyme au capital de 6 089 930 euros
Head Office : Immeuble « Le Pythagore », 25 boulevard V. Hugo, 31770 COLOMIERS
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I. – HALF TERM CONSOLIDATED ACCOUNTS AS OF JANUARY 31, 2011

A. – CONSOLIDATED BALANCE SHEET

Assets (in euros '000s)	January 31, 2011	January 31, 2010	July 31, 2010
Acquisition of goodwill	822	822	822
Intangible fixed assets - net	194	334	218
Property and equipment - net	800	867	789
Deferred tax	434	433	523
Shares in the associated companies	926	825	882
Other long term assets - net	82	86	82
Non current assets	3,258	3,367	3,316
Account receivables	8,331	8,842	6355
Tax credit	577	631	957
Other current assets	924	911	1,086
Cash and cash equivalents	18,848	13,498	17,647
Current assets	28,680	23,881	26,044
Assets	31,938	27,249	29,360
Liabilities (in euros '000s)	January 31, 2011	January 31, 2010	July 31, 2010
Common stock	6,090	6,090	6,090
Additional paid-in capital	1,911	1,911	1,911
Consolidated reserves	10,163	8,041	7,912
Accumulated translation adjustment	49	20	37
Net income	1,924	1,444	3,000
Shareholders' equities	20,137	17,506	18,950
Minority interests	50	200	56
Total Shareholders' equities	20,187	17,706	19,006
Profit sharing	174	165	362
Pension reserves, other benefits	589	506	568
Financial debts – long term	542	398	515
Financial debt – dividends to pay	74	--	--
Deferred income – long term	--	--	--
Deferred tax	4	26	4
Other non current debts	41	14	53
Non current liabilities	2,124	1,109	1,502
Current debts	766	827	1,121
Social debts	1,854	1,359	1,635
Taxes	1,516	1,684	4,179
Deferred income – short term	4,815	4,292	100
Other current debts : short term	130	--	105
Taxes	119	81	1,426
Other current debts	427	191	286
Current debts	9,627	8,434	8,852
Liabilities	31,938	27,249	29,360

B. CONSOLIDATED STATEMENT OF OPERATIONS

(in euros '000s)	January 31, 2011 6 months	January 31, 2010 6 months	July 31, 2009 6 months
Total revenues	10,853	10,370	21,306
Other operating revenues	247	239	518
Revenues from operating activities	<u>11,100</u>	<u>10,609</u>	<u>21,824</u>
Purchases	(161)	(125)	(235)
Other external expenses	(2,246)	(2,187)	(4,429)
Payroll and benefits	(5,604)	(5,638)	(11,640)
Taxes	(232)	(264)	(512)
Provisions / long term assets	(315)	(429)	(932)
Other operating expenses, net	10	29	(159)
Operating expenses, net	<u>(8,548)</u>	<u>(8,614)</u>	<u>(17,906)</u>
Current operating income (loss)	<u>2,552</u>	<u>1,995</u>	<u>3,918</u>
Depreciations on non current assets	--	--	--
Depreciations for non recurrent risks	--	--	(53)
Operating income	<u>2,552</u>	<u>1,995</u>	<u>3,865</u>
Interests on loans	--	--	--
Financial revenues	117	89	234
Financial expenses	(77)	(75)	(160)
Financial income (loss)	<u>40</u>	<u>14</u>	<u>74</u>
Income (loss) of the Group before tax	<u>2,592</u>	<u>2,009</u>	<u>3,939</u>
Tax and deferred tax	(735)	(551)	(1,024)
Part of net income (loss) in the associated companies	78	11	104
Net income (loss)	<u>1,935</u>	<u>1,469</u>	<u>3,018</u>
Allocated to :			
The Group	1,924	1,444	3,000
The minority interests	11	25	18
Number of shares, except own shares booked in deduction of the consolidated shareholders' equity	1,573,882	1,571,608	1,571,608
Earnings per share in euros	1.22	0.94	1.91
Net diluted earnings per share	1.22	0.94	1.91

C. 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, 2009	8,001	4	8,827	16,832	189	17,021
Dividends			(678)	(678)	(18)	(696)
Revenues and expenses from the period		32	3,034	3,066	18	3,084
Adjustment on the own shares			(92)	(92)	--	(92)
Impact of the cancellation of the gains on own share sales			4	4	--	4
Impact of the buy-out of the Polish minority interests			(182)	(182)	(133)	(315)
Shareholders' equity as of July 31, 2010	8,001	36	10,913	18,950	56	19,006
Dividends			(756)	(756)	(18)	(774)
Revenues and expenses from the period		13	1,933	1,946	12	1,958
Adjustment on the own shares			(5)	(5)	--	(5)
Impact of the cancellation of the gains on own share sales			3	3	--	3
Corresponding ID			(1)	(1)	--	(1)
Shareholders' equity as of January 31, 2011	8,001	49	12,087	20,137	50	20,187

D. CONSOLIDATED STATEMENT OF CASH FLOWS

(in € '000s)	January 31, 2011	January 31, 2010	July 31, 2010
Flow of cash generated by the activity:			
Net income – Part of the Group	1,924	1,444	3,000
Increase (decrease) in Cash from :			
Minority interests	11	25	18
Amortizations and provisions, net	181	268	623
Deferred tax	82	13	(110)
Part of the net income in the associated companies	(78)	(11)	(104)
Dividends received from the associated companies	34	--	36
Gain and loss on asset disposal	--	--	--
Others	--	--	--
Increase (decrease) in Cash from :			
(Increase) decrease in the customers	(1,920)	(1,968)	484
(Increase) decrease in the other current assets	11	787	343
Increase (decrease) in the suppliers	(356)	(238)	21
Increase (decrease) in the deferred revenues	636	162	43
Increase (decrease) other liabilities	752	(273)	59
Net cash used in operating activities	1,277	209	4,413
Purchases of long-term intangible assets	(13)	(4)	(8)
Purchases of long-term tangible assets	(136)	(56)	(124)
Sales of long-term assets	6	--	--
Acquisition of long-term assets*	(10)	(153)	(72)
Proceeds from sale of equipment	12	8	7
Cash from change in the consolidation scope	--	--	(315)
Decrease in cash from net acquisitions	(141)	(205)	(511)
Dividends paid	--	(696)	(697)
Financial advances (Coface)	61	--	215
Cancellation of own shares	--	--	--
Repayment of loans	--	(7)	--
Others of which advances to be paid back	(9)	(191)	(191)
Decrease in cash from financing	52	(894)	(673)
Increase (decrease) in cash and cash equivalent	1,188	(890)	3,229
Incidences of changes in exchange rate	13	27	57
Net increase (decrease) in cash and cash equivalent	1,201	(863)	3,286
Cash and cash equivalent, beginning of year	17,647	14,361	14,361
Cash and cash equivalent, end of year	18,848	13,498	17,647
Net increase (decrease) in cash and cash equivalent	1,201	(863)	3,286

II. ACTIVITY REPORT

For the first half 2010/2011, IGE+XAO posts a 4.7% increase in turnover, which amounts to €10,853,145 versus €10,369,899 a year earlier. This rise was particularly significant in the second quarter (+5.7%), thus confirming the good business trend observed in the first three months of the fiscal year (+3.4%).

The rise in turnover was accompanied by a strong focus on the Group's spearhead products, which will be further boosted by the launch of two major new versions of the SEE Electrical Expert and SEE Electrical software in the second half of the year. In addition to new functions aimed at increasing productivity, SEE Electrical Expert V4 will include a complete environment dedicated to "collaborative engineering" while SEE Electrical V6 will offer a powerful, user-friendly interface.

In terms of profitability, the Group posts operating income of €2,551,693, up 27.9% over the first half 2009/2010, for an operating margin* of 23.5%. This growth is attributable to the upswing in activities as well as the quality of the business model, which IGE+XAO is improving year-on-year. Net income stands at €1,923,887 (up 33.2%), for a net margin** of 17.7%.

IGE+XAO also boasts a solid financial structure. At 31 January 2011, its shareholders' equity amounted to €20.9 million, with an insignificant bank debt and a cash position of €18.8 million.

Ahead of schedule, on the strength of its good results and solid fundamentals, the IGE+XAO Group will start to deploy its 2011/2012 action plan aimed at setting up three new sites abroad - in Russia, Turkey and South America - as well as boosting the development of its Electrical PLM (Product Lifecycle Management) offers. In line with the Group's business plan, those operations will be accompanied by a high profitability level.

* operating income in relation to turnover.

** net income in relation to turnover.

NB : A limited review of the half-year financial statements to 31 January 2011 was carried out by the auditors of IGE+XAO. The half-year financial statements were approved by the Board of Directors on 25 March 2011.

ABOUT THE IGE+XAO GROUP:

For over 24 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) software. These Electrical CAD software applications have been designed to help manufacturers design and maintain the electrical section of any installation. IGE+XAO has built a complete range of Electrical CAD software applications designed for all industry fields. The IGE+XAO Group has about 340 employees spread out in 22 locations and 16 countries. With more than 61,700 licenses sold throughout the world, IGE+XAO is a reference in its domain. For more information, visit <http://www.ige-xao.com>

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