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**IGE+XAO**

*Société Anonyme au capital de 6 089 930 euros*  
*Siège social : Immeuble « Le Pythagore »*  
*25-27 boulevard Victor Hugo*  
*31770 COLOMIERS*  
*338 514 987 RCS Toulouse*

**2009 / 2010 CONSOLIDATED ACCOUNTS**

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Société Anonyme au capital de 6 089 930 euros

Head Office : Immeuble « Le Pythagore », 25 boulevard V. Hugo, 31770 COLOMIERS

338 514 987 R.C.S. Toulouse

**I. – ANNUAL CONSOLIDATED ACCOUNTS AS OF JULY 31, 2010****A. CONSOLIDATED BALANCE SHEET**

Assets(in euros '000s)	July 31, 2010	July 31, 2009
Acquisition of goodwill	822	822
Intangible fixed assets - net	218	454
Property and equipment - net	789	938
Deferred tax	523	447
Shares in the associated companies	882	814
Other long term assets - net	82	75
Non current assets	3,316	3,550
Account receivables	6,355	6,947
Tax credit	957	813
Other current assets	1,086	1,444
Cash and cash equivalents	17,647	14,361
Current assets	26,044	23,565
Assets	29360	27,115
Liabilities (in euros '000s)	July 31, 2010	July 31, 2009
Common stock	6,090	6,090
Additional paid-in capital	1,911	1,911
Consolidated reserves	7,912	6,087
Accumulated translation adjustment	37	4
Net income	3,000	2,740
Shareholders' equities	18,950	16,832
Minority interests	56	189
Total shareholders' equities	19,006	17,021
Profit sharing	362	328
Pension reserves, other benefits	568	508
Financial debts – long term	515	398
Deferred income – long term	--	--
Deferred tax	4	4
Other non current debts	53	--
Non current liabilities	1,502	1,238
Current debts	1,121	1,100
Social debts	1,635	1,207
Taxes	4,179	4,136
Deferred income – short term	100	200
Taxes	105	97
VAT and taxes	1,426	1,918
Other current debts	286	198
Current debts	8,852	8,856
Liabilities	29,360	27,115

## B. CONSOLIDATED STATEMENT OF OPERATIONS

(in euros '000s)	July 31, 2010	July 31, 2009
Total revenues	21,306	21,788
Other operating revenues	518	444
Revenues from operating activities	21,824	22,233
Purchases	(235)	(632)
Other external expenses	(4,429)	(4,939)
Payroll and benefits	(11,640)	(11,795)
Taxes	(512)	(510)
Provisions / long term assets	(932)	(805)
Other operating expenses, net	(159)	(120)
Operating expenses, net	(17,906)	(18,801)
Current operating income (loss)	3,918	3,432
Depreciations on non current assets	--	--
Depreciations for non recurrent risks	(53)	(96)
Operating income	3,865	3,336
Interests on loans	--	--
Financial revenues	234	462
Financial expenses	(160)	(62)
Income (loss) of the Group before tax	3,939	3,736
Tax and deferred tax	(1,024)	(1,079)
Part of net income (loss) in the associated companies	104	111
Net income (loss)	3,018	2,768
Allocated to :		
The Group	3,000	2,740
The minority interests	18	28
Number of shares, except own shares booked in deduction of the consolidated shareholders' equity	1,571,608	1,581,800
Earnings per share in euros	1,91	1.74
Net diluted earnings per share	1,91	1.74

### C. Revenues and expenses for the period

(in € '000s)	July 31, 2010	July 31, 2009
Exchange gains (losses)	32	(135)
Actuarial gains (losses) pensions (retirement)	48	(51)
Others	(5)	—
Incomes and losses directly booked in shareholders' equities	75	(186)
Net income	3,009	2,768
Total : revenues and expenses from the period	3,084	2,582
Allocated to :		
- The Group	3,066	2,554
- The minority interests	18	28
Total : revenues and expenses from the period	3,084	2,582

### 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, 2008	8,664	138	7,547	16,350	217	16,567
Dividends			(806)	(806)	(56)	(862)
Revenues and expenses from the period	0	(135)	2,689	2,554	28	2,582
Adjustment on the own shares			1,498	1,498		1,498
Impact of the cancellation of the gains on own share sales			14	7		14,
Adjustment on the Options plans (IFRS2)			6	7		6
Reduction of capital by cancellation of own share	(663)		(2,121)	(2,784)		(2,784)
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
Adjustment on the Options plans (IFRS2)			(182)	(182)	(133)	(315)
Shareholders' equity as of July 31, 2010	8,001	36	10,913	18,950	56	19,006

## E. CONSOLIDATED STATEMENT OF CASH FLOWS

(in € '000s)	July 31, 2010	July 31, 2009
Flow of cash generated by the activity :		
Net income – Part of the Group	3,000	2,740
Increase (decrease) in Cash from : :		
Minority interests	18	28
Amortizations and provisions, net	623	634
Deferred tax	(110)	(115)
Part of the net income in the associated companies	(104)	(111)
Dividends received from the associated companies	36	40
Gain and loss on asset disposal	--	(53)
Others		
Increase (decrease) in Cash from : :		
(Increase) decrease in the customers	484	346
((Increase) decrease in the other current assets	343	(501)
Increase (decrease) in the suppliers	21	273
Increase (decrease) in the deferred revenues	43	161
Increase (decrease) other liabilities	59	(359)
Net cash used in operating activities	4,413	3,083
Purchases of long-term intangible assets	(8)	(40)
Purchases of long-term tangible assets	(124)	(172)
Sales of long-term assets	--	--
Acquisition of long-term assets*	(72)	(17)
Proceeds from sale of equipment	7	66
Cash from change in the consolidation scope	(315)	(15)
Decrease in cash from net acquisitions	(511)	(178)
Dividends paid	(697)	(824)
Financial advances (Coface)	215	145
Cancellation of own shares	--	(1,299)
Repayment of loans	--	(22)
Others of which advances to be paid back	(191)	(191))
Decrease in cash from financing	(673)	(2,191)
Increase (decrease) in cash and cash equivalent	3,229	714
Incidences of changes in exchange rate	57	(161)
Net increase (decrease) in cash and cash equivalent	3,286	553
Cash and cash equivalent, beginning of year	14,361	13,808
Cash and cash equivalent, end of year	17,647	14,361
Net increase (decrease) in cash and cash equivalent	3,286	553

\* Impact of the own shares

## II. – ACTIVITY REPORT

Against a difficult economic background in 2009/2010, the IGE+XAO Group posted annual consolidated revenues of €21,306,152, marked by a return to growth in the last two quarters (+0.8% and +1.3% respectively) after a 5.4% drop in the first half year. This business recovery is attributable to the Group's diversification strategy in terms of clientele and good international dynamics.

At the same time, IGE+XAO significantly improved its operating profitability, with current operating income and operating income increasing 14.2% and 15.9% respectively. This favorable trend is the fruit of effective control of operating costs and the improvement of the business model. Those two factors notably enabled the Group to maintain its innovation efforts while optimising costs, and conquer new markets. Net income amounts to €2,999,596 versus €2,740,330 a year earlier, for a net margin rate\*\* of 14.1% versus 12.6% the previous year.

Moreover, IGE+XAO has solid fundamentals with a diversified client portfolio, extensive international presence, as well as high profitability and a net cash position of €17 M. In this context, while remaining vigilant over changes in the economic situation, IGE+XAO intends to maintain a significant level of investment in Research and Development while preserving all of its growth capacities. Thus, for fiscal 2010/2011, the Group is planning the launch of major new versions of its leading software (SEE Electrical, SEE Electrical Expert and SEE Electrical Harness PLM) as well as their marketing in new countries.

\*\* Net margin: net income / revenues

### **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 near 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>

### **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](http://www.ige-xao.com)

Listed on Euronext Paris - NYSE Euronext - Compartiment 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