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### Strong growth in 2007 half-year earnings

**Operating income: +76%**

**Operating cash flow: +28%**

### Improvement across all profit and loss statement lines

Over the first half of 2007, the Group achieved its objective for a significant increase in profitability, with EBIT up 24% like-for-like and 23% compared with 2006 (published), and operating income climbing 76%.

This performance reflects the development of business over H1 2007 (+3.2% organic growth) and all of the measures that the Group has implemented and continued rolling out over the last 18 months (improving the activity ratio, strengthening technical teams, raising sales prices, etc.).

Efforts to rationalise the organisation have also enabled a reduction in committed fixed costs, set against organic business growth.

Pre-tax earnings totalled €1.9 million, compared with €0.9 million the previous year, while consolidated net income has been multiplied by three, rising from €0.4 million for H1 2006 to €1.2 million in H1.2007.

	H1 2007	H1 2006 (published)	Change (value)	Change (%)
<b>Revenues</b>	<b>71.1</b>	68.9*	+1.4	<b>+3.2%</b>
<b>EBIT</b>	<b>2.7</b>	2.2	+0.5	<b>+22.8%</b>
<b>Operating income</b>	<b>2.6</b>	1.5	+1.1	<b>+76%</b>
<b>Net income</b>	<b>1.2</b>	0.4	+0.8	<b>+175%</b>
<b>Operating cash flow</b>	<b>2.5</b>	1.9	+0.6	<b>+28%</b>

\*Published revenues=69.7 factoring in the sale of the midsize business (SBS, Axapta) in H1 2006

### Strengthening the financial structure

The Group's financial structure is now stronger than it was a year ago, with €45 million in equity versus €42.7 million one year ago and €18.5 million in net financial debt versus €21.2 million on June 30<sup>th</sup>, 2006. This represents a gearing ratio of 41% versus 50% previously, providing the Group with leeway in terms of its financial leverage for potential external growth operations.

### Strategy and outlook

Sylis is pursuing its business development actions:

- Putting in place the means required to carry out projects with a commitment to results and offer high value-added solutions,
- Looking for targeted acquisitions to accelerate this project.

Sylis is able to confirm its full-year objective to generate €138 to 142 million euros in revenues over 2007, with EBIT up by more than 20% compared to 2006.

### Next announcement:

**Earnings for Q3 2007 on October 24<sup>th</sup>, 2007 at 6 pm (French time)**