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Luxemburg
Netherlands

Consulting and expertise

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Information system
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Sylis Group: 2003 financial results

In M€ (consolidated figures)	2003	2002
Sales	141.8	167.5
EBITA (excluding non-recurring items)	7.4	11.9
<i>Profit margin</i>	5.2%	7.1%
EBITA (including non-recurring items)	6.2	8.7
<i>Profit margin</i>	4.4%	5.2%
Non-recurring items (reorganisation)	(4.7)	(3.6)
Net profit (before goodwill)	0.8	2.5

Financial results for 2003

The operating profit stands at 5.2% for the 2003 financial year (as opposed to 7.1% in 2002). The profit margin for S2 was 5.7%, a 0.9 points increase over S1 (4.8%), reflecting implementation of the various action plans now underway.

The reorganisation throughout the Group has now been completed (at a cost of 4.7 M€ as a non-recurring item). It has been entirely financed by the operating cash flow.

In **France**, operating profitability rose by 3% between S1 and S2.

The Netherlands maintained its operating profitability throughout the financial year.

In **Belgium**, the various steps taken, particularly the discontinuation of consulting and other activities with low profit margins enabled a state of equilibrium to be reestablished at the beginning of 2004.

After goodwill charge, the net result is -7.8 m €, including 4.9 m € of non-recurring goodwill charge recorded on accounts closed on June 30, 2003.

The combined effect of the operational cashflow generated in 2003 and the significant reduction in the amount of working capital required during Q4 enabled the Group's debt to be further reduced, allowing a gearing ratio of 48% to be recorded at the end of 2003, as opposed to 53% at the end of 2002.

New drive in 2004

- ✓ During the 2003 financial year, the Sylis Group was able to adapt its size to changes taking place in its markets, and also took into consideration changes in customer expectations, redefining its offering as a result.
- ✓ Reorganised around 2 centres of activity, in France and Benelux, the Group will now be focusing on exploiting the sole brand name Sylis.
- ✓ In association with the steps taken to improve its commercial productivity in 2003, this move to give an extra boost to the Group's image will give added backing to the three development tracks already defined: capitalising on the Group's traditional areas of expertise, promoting technological innovation and giving customers the opportunity of choosing packaged solutions for added value services.

With the reorganisation now completed, as well as a strengthened positioning in favour of technical services offering added value, all steps have been taken to generate cashflow and improve profitability in the course of 2004. The sales target is to reach 140-144 M€ with an operating profit ability of between 7 and 8%, which should enable the group's debt to be reduced by more than 25%.