



Sylis Group

Second quarter 2004

France
Belgium
Luxembourg
Netherlands

In M€	2004	2003
First quarter sales	34.6	38.5
Second quarter sales	32.2	33.6
First half year total	66.8	72.1*

Consulting and expertise

Information system
management

Information system
exploitation

Infrastructure
management

Second Marché

NextEconomy
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In terms of activity, the second half of the 2004 financial year saw an end to Group's significant negative growth, both in France and Benelux, with almost 5% organic growth being recorded during June compared with the same month in 2003, particularly driven by a surge in the level of activity.

Continued improvement in the activity ratio (percentage of days invoiced out of the total potential number of working days excluding holidays) for all zones (up 1.7 points compared with Q1 in 2004 and up 2.8 points compared with Q2 in 2003) enabled the effect of lower selling prices observed in France to be reduced; resulting in a 4% decline in sales for Q2 compared with the same period in 2003 for a comparable range of activities.

France

During the month of June alone, sales have risen by 6%. The activity ratio has also improved by 2.7 points over the whole quarter compared with the same period in 2003.

Investments in sources of potential growth are bearing fruit. Shown by the fact that the solutions developed via the subsidiaries Sylis Business Solutions, for SMEs, and Sylis Consulting and Expertise, especially in Research and Development, went up by more than 50% during the first half year compared with the first six months of the previous year.

Benelux

Significant new customers and the signing of major facilities management and systems integration contracts will have a major effect on the second half of the year. Strategic operations designed to improve profitability have been carried out successfully. As a result, the outlook for the second half-year is in line with the forecasts made at the beginning of the year.

The activity ratio is continuing to grow, having gained 3 points during the quarter compared with Q2 in 2003.

An increase in orders for the second half-year has been recorded, while pressure on prices is being maintained via keen competition.

An optimistic view of market development has fuelled renewed in-house recruitment, while at the same time sub-contracting has been reduced.

A significant improvement in cash-flow generated by operations in the first half of the year are encouraging indications that our targets for profitability and financial independence for 2004 will be achieved.

Results for the first half of 2004 will be published on September 30.

*proforma: in view of the discontinuation of non strategic and consulting activities in Belgium: amounting to 5.2 M€