



*Sylis Group: Fiscal year 2004*

**Operating profitability up by 14.5%**  
**Net result (before goodwill) up by 325%**  
**Cash flow up by 120%**

France  
 Belgium  
 Luxembourg  
 Netherlands

Consulting and expertise

Information system  
 management

Information system operations

Infrastructure management

In M€ (consolidated figures)	2004	2003	Δ
Sales	130.1	136.5*	down 4.7%*
<i>Published sales figures</i>		141.8	
Operating profit	8.5	7.4	up 14.5%
<i>Profit margin</i>	6.5%	5.2%	
Earning before tax	7.4	6.2	up 17.7%
<i>Profit margin</i>	5.7%	4.4%	
Non-recurring profit/loss	(1.1)	(4.7)	-
Net profit before goodwill	3.4	0.8	up 325%
Net profit after goodwill	(0.3)	(7.8)	-

\*proforma: in view of non strategic activities and consulting being halted in Belgium, accounting for 5.3 M€ during the 2003 fiscal year.

Eurolist (C)  
 NextEconomy  
 Informatique  
 ISIN FR0000038515  
 Bloomberg LYS PA  
 Reuter SYLS.PA

**Sylis maintains margins**

In the 2<sup>nd</sup> half of 2004, Sylis confirmed the improvement in profit which began during the 1<sup>st</sup> half of the year. Taking the fiscal year as a whole, the selectivity exercised by Sylis as well as the 2.3 point improvement in the activity ratio (excluding holidays), have made up for the 2.1% decrease in prices that remained significant in 2004, enabling **operating profit** to record a 14.5% growth with profit margins on turnover rising from 5.2% to 6.5%.

Furthermore, since most investments had been carried out in 2003, net profit before goodwill was multiplied fourfold in 2004.

**Greater investment capacity**

Since **cash flow** (net profit + depreciation allowance) doubled in 2004, the Sylis Group was able to continue reimbursing its debt in line with stated objectives, allowing gearing to fall below 40%. Furthermore, the rescheduling of the medium term debt, extended from 2005 to 2008, has enabled Sylis to improve its investment capacity.

**Increased activity and continued improvement in profitability during 2005**

Stronger strategic partnerships and redefined service offers delivering greater added value, enable Sylis to face 2005 with confidence. For the commercial investments made in France should enable Sylis to consolidate its position with key accounts and achieve sustained growth for its new offers targeted at the SME/SMI segment combined with an expected increase in average selling prices. In Benelux, the preferred partnership status with Microsoft solutions should accelerate the recovery begun in 2004.

Thus, for the 2005 fiscal year, although the market remains volatile, Sylis is aiming to increase its sales, a trend which could be further strengthened by one or more modest external growth operations, as well as record higher operating profits.

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*Sales for the 1st quarter will be published on 11 May 2005.*