



FIRST-HALF RESULTS 2012

Strong contribution of Cloud model: + 23% SaaS revenues

Operating Profit: +11.9%

Record Operating Profit Margin: 22.2%



(Paris-FR0010202606-ALBFR), the European leader of Financial CRM provided as a SaaS, publishes today its financial results for the first-half of 2012.

CONSOLIDATED ACCOUNTS FOR 2012 FIRST-HALF RESULTS

Sidetrade Group (in €'000)	H1 2012	H2 2011	Change
Revenue	6,884	6,572	+ 4.8%
Operating profit	1,527	1,365	+ 11.9%
Net Profit before Tax	1,552	1,377	+ 12.7 %
Tax	- 411	0	-
Net profit	1,115	1,281	- 12.9 %
Operating Profit Margin	22.2 %	20.8 %	-

The Sidetrade Group's H1-2012 results are consolidated and unaudited.

POSITIVE CONTRIBUTION OF CLOUD MODEL : +23% REVENUE GROWTH OF SAAS

The first six months of the year saw a 30% increase in transaction volume. Invoices processed in the Sidetrade Cloud totalled 14.6 million over the period, underscoring the value of the SaaS model. Key subscription-based customers that went into production during the period were RANDSTAD (France), GEODIS WILSON (Germany, Netherlands, Finland, Norway and Sweden), SOURIAU and SUPRATEC.

Subscription-based revenues from the SaaS business were €3.73 million (2011 H1: €3.04 million), equating to double-digit growth of 22.6% during the first six months of the year. The Sidetrade Cloud business continues to be the primary source of growth for the Group.

Overall, the first six months of the year saw Group turnover increase 4.8% to €6.88 million. The product mix bias towards Cloud computing has resulted in stronger growth in this area, in contrast with services revenues (implementation, training, consultancy, business process outsourcing). The Group advised of this development in the announcement of 2012 first quarter turnover. The slowdown in growth is accounted for partly by an unfavorable year-on-year comparison (2011 H1: +19.6%), as well as services results of €3.15 million, a decrease of 10.7% (2011 H1: €3.53 million). These results reflect the effects of the general economic slowdown and the loss of a business process outsourcing contract which generated significant turnover but with low operating margin.

The SaaS order book¹ stood at €15.2 million at 30th June 2012. Sidetrade continues to build momentum on future recurring revenues and visibility on medium term business. These committed revenues which will be realised through to 30th June 2017, are not included in the income statement or balance sheet.

☛ LEVERAGING EFFECT OF SAAS : RECORD OPERATING PROFIT MARGIN

In spite of the difficult economic environment, Sidertrade continues to demonstrate the advantages of the SaaS model whereby, above a certain volume of activity, operating costs remain relatively fixed while processed volumes continue to grow. This lever effect has come into play once again over the first half of 2012.

Operating Profit for the first half of 2012 came in at €1,527K (2011 H1: €1,365 K) representing a year-on-year increase of 11.9%. This contributed to a record Operating Profit Margin of 22.2% (2011 H1: 20.8%).

Operating Profit for first half 2012 incorporates a Research and Development tax credit of €300 K (2011 H1: €250 K) as well as a provision of €215 K towards the employee profit-sharing scheme (2011 H1: €60 K). Excluding these items, adjusted Operating Profit stood at €1,442 K (2011 H1: €1,115 K), representing an increase of 29.3%. This growth in Group Operating Profit is particularly notable, for absorbing the running costs of the recently established UK subsidiary, for which there were no comparable costs incurred for first-half 2011.

A provision of €411 K has been made for Corporate tax for first-half 2012 compared to a charge of zero for the corresponding period of the previous year. Subsequently, Group Net Profit stands at €1,115 K (2011 H1: €1,281 K), a reduction of €166 K.

☛ BALANCE SHEET REMAINS STRONG

As of June 30th 2012, the balance sheet of the Group remains healthy with net liquidity comfortably in surplus, exceeding €6.9 million (2011 H1: €6.2 million), an increase of 13% after taking into account dividend payments of €1.2 M for the period. Furthermore, the Group continues to operate free of debt.

Sidertrade benefits from a solid financial structure, enabling the Group to seize growth opportunities as they arise.

☛ OUTLOOK 2012

Olivier Novasque, CEO and Chairman of Sidertrade Group, comments:

“Sidertrade has proven yet again that Cloud Computing is not simply a passing trend but a profitable and sustainable business model. Despite the wait-and-see stance taken by corporate decision makers, we continue to invest for the future, through major innovative projects, as well as our commercial expansion in the UK. In 2012 the resilience of our SaaS model has enabled us to confidently pursue our development strategy, providing the means to seize all growth opportunities”.

☛ NEXT ANNOUNCEMENT

Q3 2012 Turnover: November 13th, 2012 (after Stock Market close)

☛ SIDETRADE CONTACT

Christelle Dhrif - T : +33 1 46 84 14 13 - Email : investisseurs@sidetrade.com

☛ ABOUT SIDETRADE GROUP (www.sidetrade.com)

Independent group listed on NYSE Euronext (ticker: ALBFR), Sidertrade is Europe's leading provider of Financial CRM solutions through the SaaS (Software as a Service) model. These solutions enable the reduction of payment delays and control client risk. More than 800 large and medium-size businesses in Europe are customers across 65 countries.