

Consolidated financial statements

Consolidated financial statements have been approved by the Board of Directors on April 17, 2018. Legal auditors finalized their audit work, nevertheless they have not issued their certification reports yet.

Consolidated income statement

<i>(In thousands of euros)</i>	January 31, 2018	January 31, 2017
Licenses and maintenance	105 748	108 316
Consulting	29 100	31 177
Other	429	1 058
REVENUE	135 277	140 551
Cost of sales	(37 487)	(37 491)
Research and development costs	(28 698)	(26 942)
Selling and marketing expenses	(41 433)	(41 842)
General and administrative costs	(18 471)	(18 912)
CURRENT OPERATING RESULT	9 188	15 365
Other operating income and expenses	(1 108)	(1 644)
INCOME FROM OPERATIONS	8 080	13 721
FINANCIAL RESULT	(2 718)	(2 115)
Share of profit of associates	216	89
INCOME BEFORE INCOME TAX EXPENSE AND MINORITY INTERESTS	5 578	11 695
Provision for income tax	(3 197)	(3 992)
NET INCOME BEFORE MINORITY INTERESTS	2 381	7 703
Minority interests	6	180
NET INCOME (GROUP SHARE)	2 375	7 523
Earnings per share <i>(in euros)</i>	0.42	1,36
Diluted earnings per share <i>(in euros)</i>	0.42	1,35

Statement of comprehensive income

<i>(In thousands of euros)</i>	January 31, 2018	January 31, 2017
NET INCOME BEFORE MINORITY INTEREST	2 381	7 703
Other comprehensive income recycled to income		
Change in the fair value of hedging instruments	(1)	(8)
Translation differences	(1 544)	27
Other comprehensive income (loss) not recycled to income		
Actuarial gains and losses	(214)	(481)
INCOME AND EXPENSES RECORDED DIRECTLY IN EQUITY	(1 759)	(462)
COMPREHENSIVE INCOME	622	7 241
Attributed to Group equity holders	671	7 064
Attributable to minority interests	(49)	178

Consolidated balance sheet

<i>(In thousands of euros)</i>	January 31, 2018	January 31, 2017
ASSETS		
NON-CURRENT ASSETS	127 598	122 794
Goodwill	41 026	40 810
Intangible assets	59 869	57 830
Property, plant and equipment	4 877	4 440
Investment in associates	960	890
Deferred tax assets	10 738	10 901
Other non-current assets	10 015	7 900
Cash-flow hedging instruments	113	22
CURRENT ASSETS	94 641	104 921
Trade receivables	62 924	74 064
Other current receivables	11 954	12 273
Prepaid expenses	4 043	4 115
Cash and cash equivalents	15 720	14 470
TOTAL ASSETS	222 239	227 715
LIABILITIES		
EQUITY	101 482	99 488
Equity (Group share)	100 638	98 475
Capital	18 049	17 976
Additional paid-in capital	25 782	25 218
Reserves and retained earnings	54 082	45 915
Net income (loss)	2 375	7 523
Translation differences	349	1 843
Minority interests	844	1 013
NON-CURRENT LIABILITIES	47 645	48 766
Long-term share of financial debt	34 089	36 031
Provision for employee benefits	8 798	8 472
Deferred tax liabilities	3 737	2 963
Cash-flow hedging instruments	36	53
Other long-term debt	985	1 247
CURRENT LIABILITIES	73 112	79 461
Short-term share of financial debt	13 464	15 805
Trade payables	9 968	10 895
Accrued compensation, taxes and other short-term liabilities	26 493	29 329
Provisions for contingencies, risks and disputes	591	1 042
Deferred income	22 596	22 389
TOTAL LIABILITIES	222 239	227 715

Consolidated statement of changes of equity

<i>(In thousands of euros except for the number of shares)</i>	Number of shares	Capital	Additional paid-in capital	Net income, reserves and retained earnings	Translation differences	Equity attributable to parent company owners	Minority interests	Total Equity
AS AT JANUARY 31, 2016	5 955 072	17 865	24 938	46 212	1 827	90 842	884	91 727
Change in fair value of hedging instrument				(8)		(8)		(8)
Translation differences					25	25	2	27
Actuarial gains and losses				(476)		(476)	(4)	(481)
Income and expenses recognized directly in equity				(485)	25	(459)	(2)	(462)
Net income				7 523		7 523	180	7 703
COMPREHENSIVE INCOME				7 039	25	7 064	178	7 241
Proceeds from issue of shares	36 920	111	280			391		391
Treasury shares				(315)		(315)		(315)
Share-based payments				333		333		333
Transactions with non-controlling interests				169	(9)	160	(49)	111
AS AT JANUARY 31, 2017	5 991 992	17 976	25 218	53 438	1 843	98 475	1 013	99 488
Change in fair value of hedging instrument				(1)		(1)		(1)
Translation differences					(1 494)	(1 494)	(50)	(1 544)
Actuarial gains and losses				(209)		(209)	(5)	(214)
Income and expenses recognized directly in equity				(210)	(1 494)	(1 704)	(55)	(1 759)
Net income				2 375		2 375	6	2 381
COMPREHENSIVE INCOME				2 165	(1 494)	671	(49)	622
Proceeds from issue of shares	24 450	73	563			636		636
Treasury shares				404		404		404
Share-based payments				499		499		499
Transactions with non-controlling interests				191		191	(121)	70
Other movements				(237)		(237)	1	(236)
AS AT JANUARY 31, 2018	6 016 442	18 049	25 782	56 460	349	100 638	844	101 483

Consolidated statement of cash flows

<i>(In thousands of euros)</i>	January 31, 2018	January 31, 2017
Net income before minority interests	2 381	7 703
Share of profit of associates	(216)	(89)
Amortization and provisions	3 905	4 574
Net impact of capitalization of development costs	(3 216)	(2 832)
Income taxes (current and deferred)	3 197	3 992
Income taxes paid	(3 492)	(3 243)
Unrealized financial gains and losses	1 497	(60)
Share-based payment transactions	499	333
Gains and losses on assets disposals	65	130
CASH FLOWS	4 620	10 509
Trade receivables	8 261	(6 649)
Trade payables	(837)	2 949
Other receivables and other liabilities	9	2 198
Changes in working capital requirements	7 433	(1 502)
NET CASH FLOWS FROM OPERATING ACTIVITIES	12 053	9 007
Purchase of intangible assets	(512)	(528)
Purchase of property, plant and equipment	(3 067)	(2 201)
Proceeds from the sale of assets	-	-
Acquisition of subsidiaries, net of cash acquired	(566)	(4 361)
Other investment operations	(2 382)	(3 566)
NET CASH USED FOR INVESTING ACTIVITIES	(6 527)	(10 656)
Proceeds from loans	11 409	19 891
Repayment of borrowings	(15 392)	(14 775)
Proceeds from issue of shares	636	391
Purchase and proceeds from disposal of treasury shares	(146)	(315)
Dividends	(121)	-
NET CASH USED IN FINANCING ACTIVITIES	(3 615)	5 193
Effect of exchange rate changes on cash and cash equivalents	(243)	186
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1 669	3 729
Beginning of year	14 056	10 327
End of year	15 725	14 056
NET CHANGE IN CASH AND CASH EQUIVALENTS	1 669	3 729