



H1 2004/05 results

- **Revenues: up 19% (strictly organic)**
- **Operating margin: 14.0%**
- **Annual targets revised upwards**

Paris – December 15, 2004 – SoluCom (ISIN: FR0004036036) announced its H1 results for fiscal 2004/2005 today.

Key figures

In € million	H1 2004/05	H1 2003/04	Change	Fiscal 2003/04
Revenues	14.6	12.3	+ 19%	27.2
Operating result	2.0	1.1	+ 82%	3.1
Operating margin	14.0%	9.2%	-	11.2%
Net profit before goodwill amortization	1.3	0.9	+ 40%	2.3
Net margin	8.8%	7.4%	-	8.3%
Net group result	1.1	0.8	+ 45%	2.0

Revenues: up 19%

SoluCom saw its market conditions improve during H1 2004/2005 as compared to 2003.

The Group's commercial dynamics was bolstered by the situation and driven by buoyant niches such as VoIP, nomad systems, the launch of 3rd generation mobile services, e-administration, business portals, and anti-viral procedures.

Thus, as at September 30, 2004, SoluCom generated a consolidated turnover of €14.6 million, up 19% - as a result of purely organic growth – from its H1 2003/2004 level.

Operating margin: 14%

Over the half-year, SoluCom generated €2.0 million in operating profit, up 82% from the same period last year. The operating margin came out to 14.0%.

Such high profitability levels were achieved as a result of high productivity rates (87%) and high-end fees (€712 per day), even though these were down 2.5% from their 2003/04 level.

Financial situation consolidated

Shareholders' equity was up €11.0 million versus €10.1 as at March 31, 2004, benefiting from SoluCom's satisfactory net profitability over the half year.

The net cash position comes out to €3.1 million versus €3.5 million as at March 31, 2004. This decline reflects the investments made over the period, as well as a significant increase in receivables, which the Group will attempt to optimize in the coming months.

Market picks up gradually but surely – Factors that amplify this situation for SoluCom

Investments are picking up only slowly and pressure on prices is only gradually declining. Market recovery is however solid and is confirmed for 2005.

Several factors contribute to amplifying the effects of recovery for SoluCom:

- Technological events, which are particularly focused on infrastructures;
- The choice for added value, which is more and more at the heart of businesses' needs;
- The potential for turnover progression within the many key accounts that were opened during the past two years.

SoluCom's future growth will benefit from the Group's human capital, which was preserved during the crisis, as well as from recruitments that have been recovering over the past year (head count up 13% between September 30, 2003 and September 30, 2004).

The head count will keep on growing at a similar pace over the coming months, and the Group's moving into new offices in La Défense will represent an additional asset that will serve the current recruitment initiative.

Targets for fiscal 2004/05 revised upwards

In that context, SoluCom raises its targets for the current fiscal year, which will end March 31, 2005. The Group's new targets are as follows:

- Organic growth in revenues: 13%,
- Operating margin: 12%.

For H2 of this year, these figures take account of the unfavorable basic effect and of the additional costs resulting from the Group's moving to La Défense. They ought to be compared with the targets published June 23, 2004: 10% revenues growth and approximately 10% in operating margin.

Mid-term prospects

SoluCom's ambitions by 2007 are more than ever a burning issue: double its size and become the number 1 of infrastructure consulting.

To achieve that goal, SoluCom will primarily rely on organic growth, and will supplement it with one or more external growth operations. Such growth shall be achieved without ever deviating from its strategy focused on one single line of business and on its priority commercial target, i.e. the 200 French largest companies.

About the SoluCom Group

The SoluCom Group is active in infrastructure consulting in the telecoms and networks, work stations & servers, security and software infrastructures segments. The Group has positioned itself in very high value-added services.

The Solucom Group's client roster includes some very prestigious names, all of which are very large accounts including: ADAE, Air France, ANPE, Arcelor, Auchan, BNP-Paribas, Cegetel, CNAM-TS, Crédit Agricole, EDF, E.Leclerc, France Télécom, Groupama, La Poste, L'Oréal, LVMH, Ministères des Affaires Etrangères et de la Justice, Nouvelles Frontières, PSA Peugeot Citroën, PPR, Renault, Siemens AG, SNCF, Société Générale, Suez, Total, Unedic, Valeo, Veolia Environnement.

SoluCom trades on the NextEconomy segment of Euronext Paris.

ISIN: FR0004036036 - FTSE: 972, IT services — LCO

Financial agenda: Third quarter revenues fiscal 2004/05 – 9/02/2005.

Find all our releases on: www.solucom.fr

SoluCom
Pascal IMBERT
CEO
Phone : 01 49 03 25 00

Actus
Laurence KIPFER
Analysts/Investors
Emmanuel COUDURIER
Press Office
Phone : 01 53 67 36 36

