

## **UNIT4 NV remains optimistic outlook after continued growth in Q1 2012**

**Slidrecht, 24 April 2012:** UNIT4, the international business software group listed on the Amsterdam Stock Exchange, today announced its first quarterly report over 2012.

The UNIT4 group, which specializes in software for fast-changing organizations, saw modest overall growth against Q1 2011 and continued healthy performance in most key territories including North America and Asia. It has increased investment in sales and marketing and is positive about the outlook for the year.

Despite the challenge of comparing with Q1 2011 – a record first quarter in which the company grew by 23% of which nearly a third was organic, helped by a major government deal in Norway – UNIT4 managed to grow by 3% in Q1 2012 to achieve a revenue of €115.3 million (Q1 2011: €112.1 million).

The business and trading environment in the first quarter was in line with management expectations and the group achieved above average revenue growth in North America, Canada, Asia Pacific, UK and Norway.

FinancialForce.com, the cloud applications company in which UNIT4 is a majority investor, once again showed significant growth in monthly run rate. It is well positioned in a high growth market, has a strong sales pipeline and has been successful in recruitment to meet ambitious growth plans.

The UNIT4 group as a whole is well placed to meet the increasing trend towards SaaS and subscription selling, but also saw continued growth in traditional license revenues in the first quarter.

The gross margin increased to a level of 92.0% in Q1, compared with 91.2% over the same period in 2011.

Increased investment in sales and marketing in key growth areas are expected to have positive effects later in 2012. As a result however, the total EBITDA declined in the first quarter by 5% to €18.0 million (Q1 2011: €18.9 million). In addition to the increased investment the total EBITDA also includes €2.0 million reorganization costs (primarily Spain).

Edwin van Leeuwen, UNIT4 NV's CFO, said: "We are pleased with our performance in the opening quarter of the year. The current trading environment has not deteriorated compared with the final months of 2011 and in several areas we are seeing further growth opportunities. Our objective for financial year 2012 is to grow our SaaS and subscription business whilst maintaining or growing our traditional license revenue. We have increased investment in sales and marketing in parts of the business with good growth potential, particularly in Financialforce.com and in UNIT4 North America, UNIT4 Asia and UNIT4 Germany. These investments generate pressure on profitability in the early months of the year but we expect this to recover later in 2012. The EBITDA for Q1 2012 was already better than we had expected."

### **Outlook**

Based upon the current estimates and pipeline, UNIT4 management continues to expect growth in the single digit range both in revenues and EBITDA for the total year 2012.

*This document contains certain future expectations about the financial state of affairs and results of the activities of UNIT4 as well as certain related plans and objectives. Such expectations for the future are naturally associated with risks and uncertainties because they relate to future events, and as such depend on certain circumstances that may not arise in future. Various factors can cause real results and developments to deviate considerably from explicitly or implicitly made statements about future expectations. Such factors may for instance be changes in expenditure by companies in important economies, statutory changes and changes in financial markets, in pension costs, in the salary levels of employees, in future exchange and interest rates, in future takeovers or divestitures and the pace of technological developments. UNIT4 therefore cannot guarantee that the expectations will be realized. UNIT4 also refuses to accept any obligation to update statements made in this document.*

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#### **About UNIT4 – [www.unit4.com](http://www.unit4.com)**

UNIT4 is a global business software and services company aimed at helping dynamic public sector, and commercial services organizations to embrace change simply, quickly and cost effectively in a market sector it calls 'Businesses Living IN Change' (BLINC)<sup>TM</sup>. The Group incorporates a number of the world's leading change embracing software brands including Agresso Business World, our flagship ERP suite for mid-sized services intensive organizations and Coda, our best-of-class financial management software.

With operations in 17 European countries, as well as 7 countries across North America, Asia Pacific and Africa and sales activities in several other countries, revenue of €454.7 million was realized in 2011. UNIT4 is headquartered in Sliedrecht, the Netherlands and has over 4,000 employees. It is listed on Euronext Amsterdam by NYSE Euronext and is included in the Amsterdam Midcap Index (AMX).

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