



## 1st Quarter 2004 Results

### The BVRP Group confirms an excellent start of the year

Turnover: +10 %  
Operating profit: +117 %  
Pre-tax profit increased 5 times over

Levallois-Perret, 17 May 2004

With consolidated turnover of €12.9m, up by 10.1%, and a double of its operating profit (€1.3M, un-audited figure), the BVRP Software Group records an excellent first quarter 2004; a strong increase compared to the previous financial year.

#### Profit & Loss Statement

In thousands of euros	1st quarter 2004	1st quarter 2003	Change
<b>Turnover</b>	<b>12.888</b>	<b>11.704</b>	<b>+10,1%</b>
Other operating revenues	544	335	
<b>Total operating revenues</b>	<b>13.432</b>	<b>12.139</b>	<b>+10,7%</b>
Purchase of goods and raw materials	2.650	2.739	
Other purchases and external costs	3.442	3.623	
Personnel costs	4.149	3.748	
Depreciation allowance and provisions	373	426	
Other operating costs	1.512	1.000	
<b>Total operating costs</b>	<b>12.126</b>	<b>11.536</b>	<b>+5,1%</b>
<b>Operating profit</b>	<b>1.306</b>	<b>603</b>	<b>+116,6%</b>
% of Turnover	10,1%	5,2%	
Financial income (loss)	34	-292	
Exceptional income (loss)	-34	-46	
<b>Earning before tax</b>	<b>1.306</b>	<b>265</b>	<b>+392,8%</b>

The first quarter of the financial year 2004 was marked by the very strong start in OEM activity, thanks to the mobility / wireless range (up by 26%) and the very good results from Avanquest France (+25%) which benefits from its excellent positioning on all sales channels (retail, e-commerce and corporate) and an enlarged software portfolio.

The Group's other subsidiaries also record an increase in their activity, due to the reinforcement in the range of products which is a direct consequence of the implementation of the Avanquest network. Software which have been recently released by the Group such as eXPert PDF, Ghost Surf or PC Cillin significantly contributed to the turnover as of the first months of 2004. In this context of international growth, only the German market still lags behind.

The **operating profit** increases very strongly and is in fact double that of the previous financial year, achieving the top of the range forecasted for 2004 (**10.1%**) as of the first quarter. BVRP is taking advantage of an excellent first quarter for its OEM activity which is traditionally an excellent contributor to profit margins, as well as constant control of its fixed costs. These good results are reinforced by sustained investment, with R&D expenditure having increased by 7% with the extension of the development centre in China.

The financial result is slightly positive (compared to a loss of €0.3m in 2003) due to income made from investments, a recovery in the dollar and prudent exchange rate hedging.

These excellent results enable the Group to record a **5 times greater pre-tax profit**.

The particularly quick increase of mobile PhoneTools sales, confirms the relevance of the strategy which has been based on mobility for 4 years. It even enables the Group to forecast maintaining operational profitability higher than 10% for the next quarters.

After the balance of the MediaGold GmbH and the MediaGold Ltd shares was paid in January, and Elibrium's minority shareholdings were bought in April, the Group's available cash flow exceeds **€17m**.

The continuous increase in profitability and the conversion of the balance of the convertible bonds before their expiry date (€2.6m), following their purchase by AGF Private Equity, will even more significantly improve BVRP's financial structure (whose financial debts will be lower than €9m with shareholders equity higher than €32m and a negative gearing ratio) and the ability of the Group to finance its sustained growth strategy.

## About BVRP Software

Based in France, with subsidiaries in Germany, Great Britain and the United States, the BVRP Software Group is a worldwide leading publisher of communications and mobility software and a major provider of personal and professional software designed for multimedia, security and troubleshooting. Founded in 1984, BVRP Software celebrates 20 years of innovation in 2004. BVRP products are marketed in over 100 countries, through e-commerce, OEM partnerships and IT resellers. In June 2003, BVRP Group formed Avanquest Global Software Publishing, a coalition of software publishers offering worldwide publishing resources to software developers everywhere. The group posted revenue of €48.6M and a net income of €3.9M in 2003. Since December 1996, BVRP Software has been listed on the Nouveau Marché of the Euronext Nouveau Marché (ISIN FR0004026714). Additional information on BVRP is available at <http://www.bvrp.com>

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ISIN : **FR0004026714**  
Reuters : **BVRP.LN**  
Bloomberg : **BVRP NM**