

## PRESS RELEASE

**2010 ANNUAL REVENUE : €102.2 MILLION (+6.3%)**

Paris, 10 march 2011. Demos, a world leader in continuing professional training, has announced its consolidated annual revenue (unaudited) for the fiscal year ended 31 December 2010.

<i>In million euros - Unaudited</i>	2010	2009	Change
<b>Revenue</b>	<b>102.2</b>	<b>96.2</b>	<b>+ 6.3%</b>
<b>Catalogue business</b> <i>% of revenue</i>	<b>39.5</b> 39%	<b>40.2</b> 42%	<b>- 1.7%</b>
<b>Tailored training</b> <i>% of revenue</i>	<b>44.7</b> 44%	<b>40.4</b> 42%	<b>+ 10.9%</b>
<b>e-Learning</b> <i>% of revenue</i>	<b>10.9</b> 11%	<b>10.2</b> 11%	<b>+ 7.3%</b>
<b>Consulting &amp; Outsourcing</b> <i>% of revenue</i>	<b>7.0</b> 7%	<b>5.4</b> 6%	<b>+ 29.3%</b>

In 2010, Demos posted a 6.3% year-on-year increase in consolidated revenue to €102.2 million, in line with the Group's original annual growth target of over 5%. During the past year, Demos recorded strong organic growth (5.8%) and benefited from the 1 January 2010 entry of Cohérus into the scope of consolidation, which contributed an additional €0.5 million to annual revenue.

**Analysis by business line: strong growth in Tailored training and Consulting & Outsourcing**

- **Catalogue business: unfavourable social context in Q4 2010**

The revenue of the Catalogue business declined by a slight 1.7% year-on-year in 2010 to €39.5 million. While revenue was actually up by more than 5% at the end of the first half, the inter-company training business was severely disrupted in the 4th quarter in France by the social movements that took place in October. Transportation strikes prompted cancellations or postponements of registrations for a number of training programmes, which automatically lowered attendance rates. The situation gradually returned to normal by year-end, but this did not make up for the loss of business in October and November, the busiest months for this traditionally high-margin activity.

This one-time phenomenon does not, however, jeopardise the renewed upward trend recorded by this business line in 2010, thanks to the impact of the promotional and marketing efforts that have underway for several months.

- **Tailored training: strong growth (19%) in H2**

While the Tailored training division posted only moderate growth in H1 (3%), business was particularly brisk during the second half of the year (+19%), driven by strong demand from major international accounts including the addition of new contracts with both corporate clients and by the activation of European contracts.

For the full 12 months of fiscal 2010, the revenue of the business line increased by nearly 11%, with particularly strong growth in the UK and US region.

- **e-Learning: double-digit sales growth in H2**

The revenue of the e-Learning business was 7% higher year-on-year at €10.9 million. After a first half marked, for this activity, a slowdown in growth (+ 2%) due to economic difficulties in Spain and Portugal, the Group returned to more buoyant growth of 11% in the second half, the Iberian Peninsula also began to expand again during the period. Excluding Spain and Portugal, e-Learning revenues were up 14% for the full year.

▪ **Consulting & Outsourcing: 29% growth in 2010**

The revenue of the Consulting & Outsourcing business was 29% higher in 2010, with sustained strong growth all year long. Sales soared 43% in France, and were up 30% in the UK & US due primarily to contracts signed with the US federal government.

**Analysis by region: 13.4% revenue growth for the International region**

Despite the disruption in the Catalogue business at year-end, France once again posted positive revenue growth in 2010 (+2%). The sharp rise in the UK & US (+27%) speaks to the Group's ability to achieve rapid growth in these regions, which present considerable growth potential due to the large number of key international accounts.

In 2010, the Demos Group posted a 13.4% increase in its total International revenue who represented, in 2010, 42% of the Group's total consolidated revenue (against 40% and 35% in 2009 and 2008 respectively).

**Outlook: confirmation of the Group's goal of improving its operating margin in 2010**

Demos again achieved the positive growth rates in had known prior to 2009, posting sales growth of over 5% in 2010 as the Group had planned. This performance was even more satisfactory in that the Catalogue business was hurt greatly by social conditions during the months of October and November. Even so, Demos has confirmed its goal of increasing its operating margin from the 4.6% achieved in 2009.

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*“The performances of our various businesses in 2010 validated Demos’s key development strategies perfectly”, said Jean Wemaère, CEO of Demos. “The strong growth of our international businesses illustrates our capacity to becoming a global player in the professional training market. With an 11% increase in revenue in H2 2010, the e-Learning business has confirmed that it remains a driver of growth for the entire Group. The gradual improvement of the economic situation in Spain and Portugal should allow this activity to achieve further strong growth in 2011. Finally, it is worth noting the performance of our most recent business line, Consulting & Outsourcing, which achieved strong growth of nearly 30% for the full year and now contributes 7% of the Group’s total revenue. This is particularly encouraging for this young business, which generates significant cross-selling synergies with the Group’s other business lines.”*

Demos will release its 2010 annual results on 6 April 2011, after the close of market.

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More investor information is available on the Company's website, [www.demosgroup.com](http://www.demosgroup.com).

**About the Demos group**

***An industry leader playing a key role in the business knowledge economy***

*The Demos group is a global player in professional training. Demos' core business consists of continuing professional development in all its forms, both classroom-based and distance learning, and it has developed innovative and complementary training methods like e-learning. The group's also offers other services associated with the knowledge economy, such as skills management consultancy and the dissemination of educational materials.*

***A successful business model that can be implemented internationally***

*Demos operates in 16 countries and in all major French cities. It has demonstrated its ability to combine strong organic growth with effective acquisitions, enabling it to assist its customers in international markets and to develop local customer bases. In a buoyant market, the diversity of Demos' services, its demanding quality standards, its continued focus on innovative research and its flexible business model have made it a market leader in professional training.*

***Consistent and profitable growth***

*In 2010, the Demos group achieved revenue of €102.2 million (+ 6.3%).*

Contacts:

**Demos**

Emmanuel Courtois  
Chief Operating Officer  
[ecourtois@demos.fr](mailto:ecourtois@demos.fr)

**Actus Finance**

Mathieu Omnes  
Investors relations  
+33(1) 72 74 81 87  
[momnes@actus.fr](mailto:momnes@actus.fr)

**Actus Finance**

Caroline Guilhaume  
Press relations  
+33(1) 53 67 35 79  
[cguilhaume@actus.fr](mailto:cguilhaume@actus.fr)