

**SWORD**

UPGRADE YOUR BUSINESS

Sword Group strategic acquisition of US Based AgencyPort reinforces its software portfolio and confirms its insurance market leadership

On the 19th November 2009, Sword Group acquired US-based AgencyPort, the industry leader in insurance distribution technology.

Founded in 2000, AgencyPort provides web-based software and solutions to property and casualty insurance companies to automate distribution. With a blue-chip customer base in excess of 50 insurers and 100 employees, AgencyPort software enables large insurance carriers to manage the provision and renewal of insurance policies via a secure online application

This strategic acquisition will provide Group-wide synergies on several levels:

- Sword Group will resell AgencyPort support software internationally allowing direct access to multiple markets currently outside its current geographical customer base.
- Sword Intech policy administration software, which also operates in the US Insurance market, will benefit from AgencyPort's local sales and infrastructure support to enable further US expansion.
- Sword Ciboodle multi-channel CRM software has significant cross-selling opportunities with Agencyport software in the insurance marketplace.
- AgencyPort will benefit from existing Sword infrastructure (Global network of customers and contacts, Indian offshore operations, Welsh specialist research and development centre, hosting centres, 24 hour help desk support facilities) to make a stepped change in their growth and the services they can offer to clients.

Agency Port will deliver revenue of \$22 million in the current financial year with an operating profitability margin of 20%. The current year growth rate is 20%

In 2010 the US will generate 25% of the total Group revenue; the software portfolio will contribute 62% of the total Group revenue and the insurance vertical will deliver 33% of the total Group revenue. This is excluding any future acquisition.

On the 15th October Sword Group disposed of the services element of its Brazilian operations. The revenue which will be deconsolidated is €2 million.

Following the several disposals carried out in 2009 and the acquisition of Agency Port and also taking into account the forecast 10% organic growth, the group revenue for 2010 will be greater than €200 million in 2010. A more detailed budget will be provided at the start of January 2010.

Sword Group

Acquisition in the insurance industry to add revenue of \$22m with operating profit margins of 20%

Assumed organic growth rate of 10% excluding exchange rate fluctuations

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Founded: December 2000
Founder and Chairman: Jacques Mottard
Employees: 1,710 (19/11/09)
Stock Information
EURONEXT PARIS - Compartment C
ISIN code: FR0004180578
ICB: 972 IT Services - SBF 250 - IT CAC



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