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Sales for the first half of 2008/09

Organic growth of +10% (at constant exchange rates)

Paris, 9th September 2008: ESI Group (ISIN FR0004110310), a pioneer and world-leading solution provider in virtual prototyping and manufacturing processes, today announces its consolidated sales for its first half to 31st July 2008.

Changes in quarterly and half-year sales:

In € millions	Q2 2008	Q2 2007	Δ % (euros)	Δ % (volume)	H1 2008	H1 2007	Δ % (euros)	Δ % (volume)
Licences	10.5	10.4	+1.0%	+6.4%	21.3	20.8	+2.1%	+6.7%
Services and other revenues	4.1	3.7	+10.2%	+12.0%	8.0	6.8	+17.6%	+19.8%
Total	14.6	14.1	+3.4%	+7.9%	29.3	27.6	+5.9%	+9.9%

NB: the Group's FY runs to 31st January

Reminder: figures for this first half were recorded on a constant scope, and therefore reflect purely organic growth. The ESI Group's inherent seasonal effect means that a substantial proportion of our annual revenue is recorded over the second half of the year.

First-half sales totalled 29.3 million euros, up +9.9% at constant exchange rates.

Licence sales for the six months were up +6.7% at constant exchange rates, a similar trend to the two previous quarters.

Services activity continued to record buoyant growth, recording an increase of +19.8% by volume over the first half of 2008/09 compared to the same period of the previous financial year.

The European zone contributed 46% of consolidated half-year sales, versus 42% in the first half of 2007/08. The contributions of the Asian and American zones, penalised by exchange rate effects, were 40% and 14% respectively over the first six months of the year, versus 42% and 16% a year earlier. Europe's fine performance, with sales up +13.3% in euros, was associated with the winning

of major new contracts, whilst the Asian and American zones recorded significant growth in volume terms, gaining +8.2% and +10.0% respectively.

Key indicators:

- Negative exchange rate impact

The negative exchange rate evolution, in particular regarding the US dollar and the Korean won, continued to hardly weigh on real terms growth resulting in a -4% negative impact on the Group's consolidated half-year activity.

- Evolution of the product mix

As a consequence of the buoyant growth in Services, the product mix evolved significantly in favour of this activity: Services represented 27.3% of consolidated first-half sales this year, versus 24.6% over the first half of 2007/08.

- Increase in repeat business for Licence activity sales

Repeat business for Licence activity sales represented 81% of all Licence sales by volume, versus 72% for the same period of 2007/08.

The Group's cash position stood at 9.4 million euros at 31st July 2008, following 1.4 million euros worth of share buybacks. The percentage of treasury shares had increased to 7.18% of capital at 31st July 2008.

Alain de Rouvray, ESI Group's Chairman and CEO, concludes: *"The high level of repeat business for Licence sales lays witness to the substantial renewal of licences by our clients, which ensures us good visibility on this activity despite an economic situation that remains turbulent. The continuing and amplified fine performance of Services activity today reflects the gradual change in our model towards increased high added value Services. It confirms our leadership in this domain, with unique know-how and global coverage that meets growing demands by industrial clients to be supported in their understanding and accelerated implementation of multi-domain Simulation Based-Design. This excellent performance of strategic Services is leading to the adoption of new licences and secures the buoyant growth and the strengthening of our software activity."*

About ESI Group

ESI Group is a world-leading supplier and pioneer of digital simulation software for prototyping and manufacturing processes that take into account the physics of materials. ESI Group has developed an extensive suite of coherent, industry-oriented applications to realistically simulate a product's behavior during testing, to fine-tune manufacturing processes in accordance with desired product performance, and to evaluate the environment's impact on product performance. ESI Group's offer represents a unique collaborative solution with an open virtual engineering environment known as the Virtual Try-Out Space, enabling virtual prototypes to be improved in a continuous and collaborative manner while eliminating the need for physical prototypes during product development. The company employs over 700 high-level specialists worldwide covering more than 30 countries. ESI Group is listed in compartment C of NYSE Euronext Paris. For further information, visit www.esi-group.com.

ESI GROUP has been qualified as "an innovative company" since January 20th 2000 by the OSEO and is eligible for inclusion in "FCPI" (venture capital trusts dedicated to innovation).

Listed in Eurolist compartment C of NYSE Euronext Paris
ISIN FR 0004110310 - FTSE 977- Bloomberg ESI FP - Reuters ESIG.LN



**2008/09 half-year results will be published on
26th September 2008 (after market)**

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