

## Company Overview

Magic Software Enterprises Ltd. (NASDAQ: MGIC) is a global provider of **business application platforms** and **integration solutions**. The Company has 13 offices worldwide, including 3 R&D centers, and a presence in over 50 countries with a global network of ISV's, system integrators, value-added distributors and resellers, and consulting and OEM partners.

The Company's award-winning code-free solutions give our partners and customers the power to leverage existing IT resources, enhance business agility and focus on core business priorities. Magic Software's technological approach, product roadmap and corporate strategy are recognized by leading industry analysts and the Company has partnerships with global IT leaders including SAP AG, salesforce.com, IBM and Oracle.

Our application and integration platforms enable enterprises and software vendors to build innovative and cost effective end-to-end business solutions. We plan to leverage our 25 years of experience by adding **cloud based development and deployment capabilities – all in a single, fully integrated service offering**. Our hybrid application platform technology allows customers to benefit from the time-to-market advantages of building applications in the cloud while giving them the freedom to deploy both in the cloud and on-premise without the need to re-code from scratch.

### Income Statement Highlights

(US\$, in millions)

	2009	Q4/2009
Revenues	55.4	14.5
Gross profit	29.1	8.0
Operating income	4.3	1.8
Net income	6.2	3.5

### Investment Highlights

- Industry's **most comprehensive** application and integration platforms
- **Financial strength**
  - Solid cash position
  - Profitable - 3 consecutive years
  - Stable (25 years; thousands of global installations)
  - History of organic growth
  - Zero debt
- **Global industry recognition**
  - Global partner and customer base
  - Gartner and Forrester analysts recognition
  - Product innovation and reliability
  - Technological and industry expertise
  - Highly skilled workforce

### Global Trends

The breadth and depth of our product portfolio combined with the strength of our international channel enables us to benefit from global trends in:

- Increased focus on **business efficiency and re-use of existing IT investments**
- **Cloud based** application development infrastructure, including Rich Internet Applications (RIA) and Software-as-a-Service (SaaS), all of which enable **more cost-effective** application development and deployment
- Increased emphasis on **RIA and mobile platforms**, mobile enterprise applications being led by the demand for 24/7 customer support and **anytime/anywhere access** to enterprise resources

### 2009 Cash Flow Highlights

(US\$, in millions)

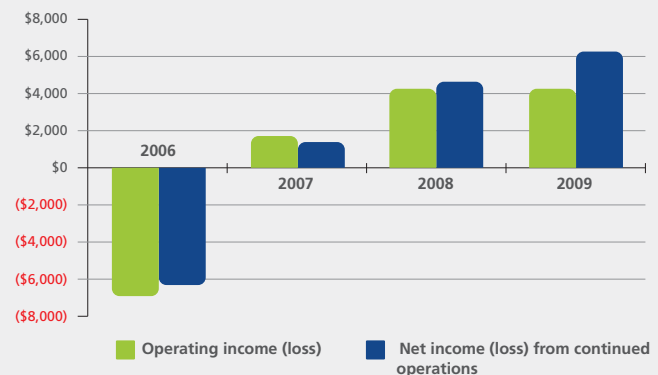
Total Cash 31.12.08*	32.6
Purchase of Property and Equipment	(0.6)
Proceeds from Sale of Property and Equipment**	5.3
Net Cash Provided by Operations	4.6
<b>Total Cash 31.12.09*</b>	<b>41.9</b>

\* Including cash and cash equivalents, short term bank deposits and short term investments in marketable securities.

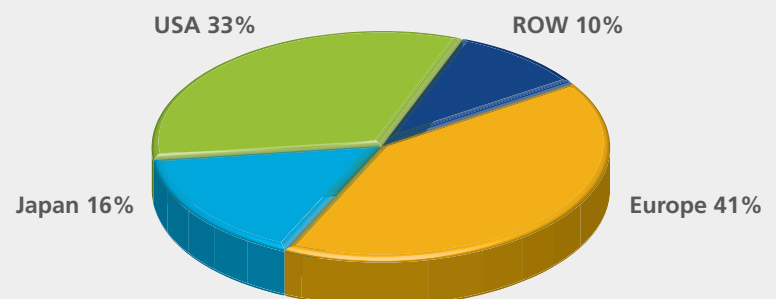
\*\* In December 2009 the company sold its office building for approx \$5.2 million in cash

### Income Highlights

(US\$, in thousands)



### Revenues by Geography - 2009



## Customers

Magic Software's products are used by millions of people, in thousands of enterprises, from every industry vertical. The Company also has over 2,500 ISVs and System Integrators worldwide.

**Our customers say that our core strength lies in delivering business productivity and reducing the complexity of IT projects.**

Some of our customers include:

- adidas Canada • Adecco • Allstate Life Insurance • Anritsu Corporation • Bank of Cyprus • Boeing • CBS Outdoor • CB Medical • Deutsche Bank • Discovery • Fortis Assurances • FMRP • Fujitsu-Ten • Genworth Financial • Grange Insurance • Guardian Life Insurance • Heller Bank • Honda Europe Power Equipment • ING Commercial Finance • Intelys • Merrill Lynch • Mitsubishi • Nespresso • Norfolk and Norwich University NHS Trust • Paradise Cruise • Rosenbauer • San Francisco Courts • Sharp System Products • Sheba Medical Center • Steelcase • Sun Life Insurance • TOTO • UNHCR • United Nations • UPS • Vandrie Group • Victorinox • Vishay Intertechnology • Vodafone • Volvo Brazil • State of Washington Courts •

## Executive Management Team

### Guy Bernstein

Chairman

### Eyal Pfeifel

Chief Technology Officer

### Oded Lavee

Vice President, Products Development

### Arita Mattsoff

Vice President, Global Marketing

### Udi Ertel

Vice President, Magic Global Services (MGS), Distribution and Operations

### Regev Yativ

President and Chief Executive Officer, Magic Software Enterprises Inc. (Americas)

### Amit Ben-Zvi

Executive Vice President, General Manager Europe and Japan, and CEO Hermes Logistic Technologies

### Yoram Aharon

Chief Executive Officer, Magic Software Enterprises Israel

### Amit Birk

Vice President M&A and General Counsel

## Contact us:

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## Magic Software Quick Facts

- **Application Platform and Business Integration Solutions Provider**
- **Proven Technology with 25 Years of Experience**
- **13 Offices and Presence in over 50 Countries**
- **Thousands of Customers, in every Industry Vertical**
- **Over 2,500 ISVs and System Integrators Worldwide**
- **Alliances: SAP, Salesforce.com, IBM, Oracle**
- **Publicly Traded (NASDAQ: MGIC)**

## Magic Software Value Advantage

Magic Software offers the **most productive** application platform and integration solution on the market:

- **Fewer technologies to acquire** – comprehensive end-to-end solutions, one platform, one skill-set
- **Faster time to market** – code-free approach enables rapid project completion using fewer resources
- **More business focus** – partitioning of technical complexity from the mission-critical design and deployment process
- **Scalability & future proofing** – hybrid deployment allows businesses to code once and deploy in multiple models for maximum market exposure
- **Ahead of technology competition** – innovators in enabling Client/Server, Cloud, Rich Internet Applications, Mobile Enterprise Applications and Software-as-a-Service

## Magic Software's Worldwide Offices

### Corporate Headquarters

Magic Software Enterprises Ltd.  
Tel: +972 3 538 9292

### UK

Magic Software Enterprises UK  
Tel: +44 1344 667 000

### France

Magic Software Enterprises France  
Tel: +33 1 49 10 58 58

### Distribution

Magic Software Enterprises  
Tel: +972 3 538 9480

### North and Latin America

Magic Software Enterprises Inc.  
Tel: +1 949 250 1718

### Germany

Magic Software Enterprises Germany  
Tel: +49 89 962 730

### Hungary

Magic Software Enterprises (Onyx) Hungary Ltd.  
Tel: +36 1 216 9910

### Israel

Magic Software Enterprises Israel  
Tel: +972 3 538 9389

### Japan

Magic Software Japan K.K.  
Tel: +81 3 5365 1600

### Benelux

Magic Software Enterprises Netherlands  
Tel: +31 30 65 66 266

### India

Magic Software Enterprises India Pvt. Ltd.  
Tel: +91 9886 455 398

**SAP** Certified  
Integration with SAP Applications



**SAP** Certified  
Integration with SAP NetWeaver

SAP Innovation  
Award 2005

SAP Quality  
Award 2006

SAP Leadership in Innovation  
2007 Global Award

salesforce.com  
AppExchange Partner



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