



Lyon, March 5th, 2008

2007 Financial Statements

Financial recovery hindered by slow-down of US economy and weakness of US dollar

In '000 of Euros	2007	2006
Sales	25,873	25,097
Current operating income	- 896	664
Operating income	- 980	480
Net income (loss)	- 1,044	1,763
Shareholders' equity	8,459	9,160
Cash	6,068	6,514

Operating results impacted by weakness of US dollar and sluggish US sales

In 2007, the company signed a number of new deals with large international companies wanting to “Quit Paper” in their business processes. These contracts involve both our “On Premise” document automation software solutions (Esfer DeliveryWare) and our “On Demand” service offerings (FlyDoc and Esfer on Demand). This success drove the 8% top-line growth (at constant currency exchange rates) that the company is reporting for its 2007 fiscal year. Europe and Asia Pacific posted very dynamic sales results with an annual growth of 21% compared to 2006. Esfer business in the US saw a 4% decline in sales in 2007 due to uncertainties that have arisen about the state of the US economy during that period. Combined with a weaker value of the US Dollar against the Euro, this slow down of the Esfer US business negatively impacted the Company’s worldwide financial performance for 2007.

The strong growth posted in Europe has led the Company to strengthen its investments in this region thus generating an 8% increase in sales and marketing expenses in 2007 compared to 2006. In addition, Esfer continued to invest in its “On Demand” infrastructure to support rapidly growing service traffic. These investments resulted in a capacity increase for the French mail facility, a stronger sales department for FlyDoc in France and the addition of new development resources for these product lines.

As a consequence and consistent with the Company’s statement made in conjunction with the announcement of its Q4 2007 revenue, operating results for the 2007 fiscal year show a slight loss of 980,000 Euros.

Operating cash flows remain positive

The Company’s cash level amounts to 6.1 Million Euros at 2007 year-end, a slight decrease (at constant currency exchange rates) compared to 2006. Positive operating cash flow for 2007 reaches 1.4 Million Euros, a 258K Euros increase over the previous year. This allowed Esfer to finance more than 75% of its capital investments (capitalized development costs and computer equipment for its On Demand infrastructure primarily) with operating cash flow.

Other financial performance indicators remain stable

The Company's long term financial debt amounts to 1.4 Million Euros compared to 1 Million Euros at 2006 year-end. This debt is comprised mainly of an interest free cash advance obtained from a French governmental agency as well as the liability arising from leasing arrangements that the Company contracted to finance some of the equipment involved in its mail facilities (FlyDoc and Esker on Demand). Esker financial stability is guaranteed primarily by its 8.5 Million Euros shareholder's equity.

2008 Outlook

In 2008, Esker will continue to take advantage of its promising markets (+22% according to a study made by the analyst firm IDC). A continued effort to drive deal size up for its high end solutions by providing more value to its customers and the growth expected from the SME market through the development of On Demand solutions, position Esker ideally to benefit from this dynamic environment. However, the weakness of the US Dollar and of the British Pound against the Euro, as well as the uncertainties about the state of the US economy could delay or affect Esker's growth in 2008. Should the case arise, the Company may reconsider the pace of its new investments.

About Esker

Esker is a recognized leader in helping organizations eliminate manual processes, gain process visibility and control, and reduce the use of paper by automating the flow of documents into, within and out of the organization. With patented document delivery automation software and hosted document delivery services, Esker offers a total solution to automate every phase and every type of business information exchange. Customers achieve significant and immediate operational efficiencies, cost savings and measurable ROI in as little as three to six months. Founded in 1985, Esker operates globally with more than 80,000 customers and millions of licensed users worldwide. Esker has global headquarters in Lyon, France and U.S. headquarters in Madison, Wisconsin. For more information, visit www.esker.com.

Corporate Contact: Renee Thomas, Esker, Inc. – Tel: 608.828.6140 § Email: renee.thomas@esker.com
Investor Relations Contact: Emmanuel Olivier, Esker S.A. – Tel: 33 (0)4 72 83 46 46 § Email: olivier@esker.fr

© 2008 Esker S.A. All rights reserved. Esker and the Esker logo are trademarks, registered trademarks or service marks of Esker S.A. in the United States and other countries. All other trademarks are the property of their respective owners.



Esker SA • 10 rue des Emeraudes • 69006 Lyon • France
Tél. : +33 (0) 4 72 83 46 46 • Fax : +33 (0) 4 72 83 46 40 • info@esker.fr • www.esker.fr

