

ESKER 2014 ANNUAL RESULTS

Powered by the Ongoing Success of Cloud-Based Solutions,
Esfer Generates Strong Profitability throughout the Year

Madison, WI — March 17, 2015

VALUE IN THOUSANDS OF EUROS	2014	2013	GROWTH
SALES REVENUE	46,060	41,116	+12.0%
OPERATING INCOME	5,700	3,883	+46.8%
NET INCOME	4,650	3,188	+45.9%
NET WORTH	21,506	18,657	+2,849
CASH BALANCE	17,559	13,411	+4,148

The Esfer Supervisory Board approved the financial statements for the year, ending December 31, 2014. Audit procedures on the consolidated accounts have been completed. The certification report will be issued at the end of April 2015, following the completion of procedures required for the publication of the annual financial report

Continued Growth of Cloud-Based Solutions

Esfer sales revenue reached 46.1 million euros in 2014, which is a 12% increase over 2013 based on a fixed exchange rate (12% based on a current exchange rate). This performance is marked by the ongoing success of cloud-based document process automation solutions. Requiring little cash advance and delivering a fast return on investment, cloud-based solutions continue to grow with Esfer's French and international customers — representing over 30 million euros in 2014, up 19% over 2013.

For Esfer, 2014 was also marked by the strong performance of its legacy products (12% of sales, down only 1%) and license-based document process automation products (22% of sales). Record results were posted in Q4 2014 with sales exceeding 13 million euros, a 16% increase over Q4 2013.

Strong Profitability Prior to Currency Exchange

The growth in sales has resulted in a 46.8% increase in Esfer's operating income, equating to 5.7 million euros or 12.4% of sales. This improvement in profitability demonstrates the value of the cloud computing business model that has enabled Esfer to combine structural growth and profitability.

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The strong performance of other product lines has also contributed to the positive results in 2014, particularly in comparison with previous years.

Last year's solid financial results were achieved while maintaining a high level of investment intended to continue the development of Esker's solutions and increase company sales. In 2014, sales and marketing spend increased 9.5% and R&D spend increased 9% in gross value (4% after capitalization). It is important to note that the company fully localized its research on French territory therefore benefitting from the research tax credit awarded by the French government for such activities.

Recent developments in exchange rates — particularly the decline in the euro against the U.S. dollar, the currency in which Esker achieved 41% of its business in 2014 — has not had significant effects on the financial results for the year. Indeed, the 2014 average conversion euro/dollar rate remained very close to that recorded for 2013. However, Esker will benefit from this trend, if confirmed, in 2015. For information purposes, at today's current dollar price (\$1.06 per euro), Esker's operating results for 2014 would have been increased by 1.7 million euros (+ 30%) and sales by 4.6 million euros (+ 10%).

Given a slight improvement in the financial results (+0.2 million euros related to foreign exchange) and 1.3 million euro in taxes, consistent with the company's earnings, 2014 net income increased to close to 46% to 4.65 million euros.

Increase in Operating Cash Flow and Strengthened Cash Position

Strong sales and financial results translate into a large increase in operating cash flow — over 2.5 million euros (+ 41%) — to exceed 8.5 million euros in 2014. This has allowed Esker to fully fund its 3.8 million euros (+ 12%) investment, to buy back its shares on the market for 2.4 million euros and to serve a 0.9 million euros dividend payment to its shareholders, while strengthening its treasury.

After taking into account a 2 million euro loan obtained from BPIFrance to finance the company's external growth, as of December 31, 2014, company cash rests at 17.6 million euros. Complemented by treasury stock and additional bank loans, the company's cash was used to finance two acquisitions made in 2015 (the French company [CalvaEDI](#) and the American startup [TermSync](#)).

Outlook for 2015

Based on its business model and the success of its solutions, Esker anticipates similar results in 2015 to those achieved in 2014. Monetary trends observed at the beginning of the year should, if they continue, have a positive effect on the growth and profitability of the company.

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About Esker

Esker is a worldwide leader in document process automation solutions. Addressing all types of business processes, from accounts payable and accounts receivable to order processing and purchasing, Esker's cloud computing solutions enable companies to automate the reception, processing and sending of any business document with one platform. Esker helps over 80,000 companies around the world reduce the use of paper and eliminate manual processes while improving their productivity, efficiency and environmental impact.

With 46.1 million euros in sales revenue in 2014, Esker operates in North America, Latin America, Europe and Asia Pacific with global headquarters in Lyon, France, and U.S. headquarters in Madison, Wisconsin. Esker is listed on the NYSE Alternext in Paris (Code ISIN FR0000035818). For more information, visit www.esker.com. Follow Esker on Twitter at twitter.com/eskerinc and join the conversation on the Esker blog at blog.esker.com.

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