

Press Release



Lyon, July 31, 2003

Extending the Reach of Information

2003 half year and second quarter sales activity

Sales (M€)	2003	2002	Fluctuation at Constant Currency Exchange Rates**
H1¹			
DeliveryWare *	1.20	1.39	-1.4%
Fax Server	4.56	5.97	-9.8%
Host Access	5.09	7.77	-26.9%
Total H1	10.85	15.13	-18.0%
Sales Q2	4.94	7.67	-25.9%

*Document Delivery Server

**2002 currency exchange rates applied to 2003

Taking into account Esker's international costs structure, monetary fluctuations have only a slight impact on the company's results; however, their effect on sales is significant. For this reason, the company presents sales fluctuations emended by monetary effects.

Sales activity for the second quarter of 2003 has clearly been affected by the slowdown in the economy in general and the enterprise software market in particular. This negative trend has affected all geographies and product lines. Ongoing uncertainty regarding the state of the economy has led customers to repeatedly delay projects, indicating that they are waiting for clear signs of recovery before resuming investment in information systems.

Sales of Esker DeliveryWare Platform, Esker's flagship product line, were affected by the adverse market situation, but the impact was slight. DeliveryWare sales decreased by only 1.4% for H1 and 8.7% for Q2 of 2003. This is significantly better than other product lines. The relatively strong performance of DeliveryWare is the result of strong sales in the United States, which increased by 30% in H1 and as much as 42% in Q2 compared to 2002. DeliveryWare sales activity in Europe, by contrast, was down by 30% in H1 and 42% in Q2 compared to 2002.

Business activities remain favorable and promising

Esker continues to generate numerous new opportunities for its products, especially DeliveryWare. Interest in this type of solution remains very high, and the company is confident about the quality of its product and its relevance to customer needs. Esker therefore believes that it will benefit from any improvements in economic confidence and a corresponding alleviation of concern regarding new technology investments. The strong performance of DeliveryWare in the US and some signs of early recovery in the market are positive and promising in this respect. The situation in Europe, however, appears to be more uncertain, and recovery in that region may take somewhat longer.

¹ First 6 months of year

Half-year financial results for 2003

Despite the decrease in sales, Esker believes that it will limit its operating loss to a range between 1.5 and 1.9 M€². In comparison, 2002 half-year operating loss was 1.1 M€. Indeed, as early as late 2002, Esker anticipated a difficult start to 2003 and consequently worked to adjust its operating expenses.

Esker's final half-year financial statements will be announced on September 23, 2003.

2003 outlook

Given current uncertainties in the markets Esker serves, the company cannot give any reliable forecast with regards to its financial results for 2003. The company continues to work, however, to control its operating expenses in order to successfully overcome the longer than expected economic downturn.

² Unaudited; subject to change.

About Esker

Esker Software solutions connect people and information. Providing access to enterprise host systems and enabling delivery of business information from any enterprise source to any destination, Esker solutions include:

- Esker DeliveryWare Platform
- Esker Fax™, Esker Fax for Notes, Esker VSI-FAX® and Esker VSI-FAX for Notes
- Persona® by Esker, SmarTerm® by Esker and Tun®Plus by Esker.

Esker is traded on Euronext, the French Stock Exchange (Le Nouveau Marché/Euroclear: 3581). With offices in North America, Europe, and Asia/Pacific, Esker has shipped over 85,000 document solutions and has a host-access installed base of more than two-million licensed users. For more information, visit

<http://www.esker.com>.

Contact information :

ESKER - Emmanuel Olivier
infofi@esker.fr - 33 4 72 83 46 46
www.esker.com www.esker.fr

ACTUS - Amalia Naveira

anaveira@actus.fr - 33 4 72 18 04 92

###

©2003 Esker S.A. All rights reserved. Esker, the Esker logo, Esker Fax, Persona, SmarTerm, Tun, and VSI-FAX are trademarks or registered trademarks of Esker S.A. in the United States and other countries. Notes is a registered trademark of IBM Corp. All other trademarks mentioned are the property of their respective owners.