

Esker 2015 Half-Year Results

Operating Income Doubles Thanks to Growth of Cloud-Based Solutions

Madison, WI — September 18, 2015

VALUE IN THOUSANDS OF €	H1 2015*	H1 2014	CHANGE IN %
SALES	28,220	21,856	+29%
OPERATING INCOME	4,384	2,082	+111%
CURRENT INCOME	4,408	2,191	+101%
NET INCOME BEFORE GOODWILL AMORTIZATION	3,275	1,643	+99%
NET INCOME FROM CONSOLIDATED COMPANIES	3,096	1,643	+88%

VALUE IN THOUSANDS OF €	06/30/2015	12/31/2014	CHANGE IN THOUSANDS OF €
SHAREHOLDERS' EQUITY	25,642	21,506	4,136
CASH POSITION	13,350	17,559	-4,209

*Accounts prepared under French accounting standards (CRC 99-02) and unaudited

Cloud Computing Drives Double-Digit Growth

Based on constant exchange rates, [Esker](#) sales revenue grew 15% more in the first half of 2015 compared to the same period in the previous year. The success of Esker's cloud-based document process automation solutions continues to drive company growth across all markets. Revenue generated by cloud-based solutions was up 23% in the first half of 2015 (compared to the first half 2014), representing nearly 70% of total revenue. On-premises document process automation sales increased 8% (20% of total revenue) reflecting a solid customer base beyond Esker's cloud-based activities.

Successful Integration of Companies Acquired in 2015

Esker acquired two companies in the first half of 2015. The French company [CalvaEDI](#) was integrated into Esker's accounts as of May 1, 2015, and reinforces Esker's commitment to Electronic Data Interchange (EDI). CalvaEDI's technology compliments Esker's solutions and supports the company's efforts to offer the most comprehensive automation solution on the market.

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In addition, the American start-up company [TermSync](#) was consolidated into Esker's financial statements as of February 1, 2015. As a provider of a cloud-based AR platform, TermSync strengthens Esker's [Accounts Receivable](#) automation solution for U.S. customers.

Full integration of the two companies' operations is already close to completion. Both CalvaEDI and TermSync contributed 0.5 million euros to Esker's growth in the first half of 2015, and the full consolidation of their performance will play a key role in the second half of the year.

Profits Double Thanks to High Growth and Positive Foreign Exchange

As of June 30, 2015, Esker's operating results increased by over 111%, reaching 4.4 million euros (15.5% of sales) versus 2.1 million euros (10% of sales) for the same period in 2014.

The appreciation of foreign currencies in 2015, particularly the U.S. dollar, has contributed 0.9 million euros to the increase in earnings this semester. Adjusted for currency effect, as well as for the impact of the two acquired companies, Esker's results would still have increased by 72% in the first half of 2015 over same period last year.

After taking into account financial elements, extraordinary income and tax charges, net income before goodwill amortization grew by over 99% to 3.3 million euros. After amortization of goodwill, net income rose by over 88%, resulting in the best first half ever recorded by Esker.

Increase in Cash Flow

The increase in profit had a direct effect on the growth of company cash generation. Net cash flow increased by 90% to 7.8 million euros during this period, enabling Esker to fully finance R&D and infrastructure investments (3.1 million euros) while continuing its policy of growing dividend payment (up 36% to 1.2 million euros).

CalvaEDI and TermSync acquisitions, totaling 11.9 million euros, were financed by company cash through the sale of treasury shares as well as new bank loans (including BPI France) amounting to 5 million euros. As of June 30, 2015, company cash rests at 13.4 million euros, versus 14.3 million euros on June 30, 2014.

Outlook for 2015

Esker anticipates the second half of 2015 to be in line with first half results. A sustained favorable exchange rate with the U.S dollar will further enhance performance.

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About Esker

Esker is a worldwide leader in cloud-based document process automation software. Organizations of all sizes use its shared platform of solutions, offered on-demand or on-premises, to automate accounts payable, order processing, accounts receivable, purchasing and more. Esker's solutions are compatible with all geographic, regulatory and technology environments, helping over 11,000 companies around the world in their efforts to Quit Paper™.

Founded in 1985, Esker operates in North America, Latin America, Europe and Asia Pacific with global headquarters in Lyon, France and U.S. headquarters in Madison, Wisconsin. Last year Esker generated 46.1 million euros in total sales revenue.

For more information on Esker and its solutions, 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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