

Results on the rise for the 2014 tax year

- Sales revenue: +5.2% (including license revenue: +30%)
- Operating income: +10.7%
- Strong growth in net results

Strategic plan for a new corporate era

ITESOFT (ISIN Code: FR0004026151, Mnemo code: ITE), a European software developer specializing in solutions for automating and processing information flows, announces the publication of its audited results⁽¹⁾ for the 2014 tax year, approved by the company's Board of Directors meeting held on April 21, 2015.

Fraud: a new issue for large organizations

In an environment undergoing rapid change driven by major technological advances, such as the Cloud, Big Data, social networks, connected objects, and mobility, large organizations need to innovate and change their processes for accessing information and interacting with their clients.

Today's context of increased use of digital documents is giving rise to new risks of fraud that threaten security in many organizations. Companies are seeking solutions to protect their data, and that of their clients, as well as to secure their document exchanges.

With its Secure Capture and Process Automation (SCPA) product offering, ITESOFT is positioning itself at the heart of these issues by providing solid and effective technological solutions that enable companies, in particular those that interact directly with their clients, such as banks, health insurance and insurance companies, telecom operators, public entities, etc., to optimize their client and supplier relations securely. The security direction taken by SCPA represents a major development axis for ITESOFT and constitutes a unique competitive differentiation factor.

Reinforced organization to accompany Group transformation

To accompany this transformation, ITESOFT has organized its structure strongly over the past few years, leveraging its two governance bodies:

- An experienced and dedicated Board of Directors supporting Didier Charpentier, Chairman of the Board of Directors, strengthened by three independent administrators: Alain Guillemin (former CEO of Royal Canin and now GM of Terrena), François Legros (former CEO of Genesys Conferencing), and Patrick Jones (former VP Finance of Intel and former VP CFO of Gemplus SA).

- A reinforced Executive Committee supporting the company's General Manager, Philippe Lijour, with the arrival of a new Financial Director, Benoît Dufresne, in 2013 (Lexibook, a publicly listed company; Julie-Owandy, a company acquired by Arseus under LBO); a new Marketing Director, Philippe Delanghe, in 2014 (Computervision, Bull, Oracle); and a new Director of Operations, France, Vincent Godard, in 2015 (IBM, IBS, PeopleSoft/Oracle, Systran, Sage).

Also, the Group expanded its sales and product marketing staff in order to increase exposure for its solutions and benefit from new opportunities offered by these new markets. These teams have nearly doubled from 2012 to 2014.

A new financial profile combining growth and double-digit profitability

<i>in M€</i>	2013 <i>re-evaluated⁽²⁾</i>	2014 ⁽¹⁾	% change
Sales revenue	20.4	21.5	+5.4%
Operating income	2.1	2.3	+10.7%
<i>% of revenue</i>	<i>10.1%</i>	<i>10.6%</i>	
Net results before results from activities discontinued or being discontinued	1.2	1.7	+45.0%
Results , net of taxes, from activities discontinued or being discontinued	(0.7)	0.6	NA
Net results , Group share	0.5	2.4	x5

In 2014, ITESOFT showed growth of more than 5% in sales revenue, reaching €21.5 million. Over the year, the Group saw the first benefits of its strategy through its growing license sales, a main indicator for software providers, with progression of +30.0%.

ITESOFT has increased its profitability significantly since 2011, with figures progressing from 3.4% (€0.7 million) in 2011 ⁽³⁾ to 10.6% (€2.3 million) in 2014.

Excluding the impact of employee profit sharing, paid for the first time due to the sale of Yooz, the Group's net profit should reach €2.8 million.

Q1 2015: license sales up +17.5%

<i>in M€ (total Group sales revenue)</i>	2014	2015
Q1	4.5	4.7

In Q1 of 2015, overall ITESOFT revenue rose by +4.6% to reach €4.7 million. License sales continued to hold strong and were up by +17.5%.

Ambitious strategic objectives

Confident in the Group's ability to benefit from opportunities in its markets over the coming years, ITESOFT has set the following ambitious objectives:

- Continue the growth dynamics carried by the increasing appeal of its new offerings.
- Increase license sales of its new "SCPA for customers" offering by at least 20% per year.
- Increase Group profitability, targeting normative operating margin over 15%.
- Implement a policy of regular dividend distribution.

ITESOFT 2020

ITESOFT's vision is to become, in the 2020 time-frame, Europe's reference for secure solutions in Omnichannel capture, paperless processing, and agile automation of client and supplier processes.

To succeed, the Group will leverage:

- Vertical solutions
- Innovative R&D
- Integration of top technologies
- Leading technology partners
- Expertise in its clients' business processes

Today, ITESOFT is initiating a new era in its corporate history that should enable it to create solid and long-term dynamics for creating value by combining growth, profitability, and yield.

- (1) *Audit procedures have been performed. The annual report will be published in late April, 2015, integrated into the Registration Document.*
- (2) *Given the sale of the company's Yooz business, the IFRS 5 standard was applied, and expenses and income related to the sold activity were recognized as results from discontinued activities. The same applies to income from the sale (€2 million). For comparison purposes, the 2013 exercise was re-evaluated in the same manner, separating out Yooz business under discontinued activities.*
- (3) *Re-evaluated Yooz figures not audited.*

About ITESOFT - www.itesoft.com

ITESOFT is an international software vendor of Omnichannel capture and process automation solutions aimed at accelerating, streamlining, and securing document-centric business processes. Leveraging its specialized R&D labs and research programs, the performance and innovation of ITESOFT's solutions have helped the company gain the status of an internationally recognized leader beyond its number 1 market position in France.

ITESOFT deploys its solutions to automate critical business processes for over 350 clients in large- to mid-sized organizations and SMEs in 29 countries, handling more than a billion documents every year across business sectors.

Founded in 1984, ITESOFT has offices in Germany, the United Kingdom, and France, serving western European markets (Germany, Belgium, Luxembourg, Switzerland, the United Kingdom, and France), as well as Northern Africa and the United States. With a staff of 165 people, the company generated consolidated revenue of €21.5 million in 2014.

ITESOFT has been listed on the EURONEXT stock exchange since February 2001.

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