

2012 financial results

Earnings on the rise - 10% operating margin for the company's traditional FreeMind business

ITESOFT (ISIN Code: FR0004026151, Mnemo Code: ITE), European software developer specializing in solutions for automating and processing information flows, announces the publication of its audited results⁽¹⁾ for the 2012 tax year, approved by the company's Board of Directors on March 26, 2013.

| Euros (millions) | Freemind | | Yooz | | Group | |
|-------------------------|----------|---------|--------|--------|----------------|----------------|
| | 2011 | 2012 | 2011 | 2012 | 2011 | 2012 |
| Revenue | 21.45 | 21.10 | 0.28 | 0.56 | 21.73 | 21.66 |
| Operating expenses | (19.83) | (19.01) | (1.63) | (2.09) | (21.45) | (21.10) |
| Operating income | 1.62 | 2.09 | (1.35) | (1.53) | 0.28 | 0.56 |
| % of revenue | 7.6% | 9.6% | - | - | 1.3% | 2.6% |
| Consolidated net income | | | | | 0.53 | 0.64 |

BUSINESS ACTIVITY

Consolidated revenue remained stable for ITESOFT in 2012, reaching €21.66 Million. The year was marked by a strong showing for FreeMind and doubled sales revenue for Yooz.

The Group's recurring activities, maintenance services and Yooz business rose from 33.6% of overall revenue in 2011 to 38.9% in 2012.

ANALYSIS OF TAX YEAR RESULTS

Meeting its objectives for 2012, ITESOFT recorded positive results for the year.

The Group doubled its operating profit over 2012, reaching €0.56 Million. ITESOFT benefited from the strong performance of its traditional FreeMind business, which achieved operating margin of 9.6%, up from 7.6% in 2011. ITESOFT also focused on strictly controlling its expenses, which remained stable in 2012.

This performance is all the more noteworthy given the context of the company's heavy investment during the year to support Yooz development. Yooz is ITESOFT's electronic

capture and automation solution that runs in SaaS mode, targeting SME/VSE companies and chartered accountants. The overall share of R&D investment (both FreeMind and Yooz) reached 5.7 M€ over the period, representing 26% of sales revenue.

Net profit rose by nearly +20.8% to reach €0.64 Million in 2012, compared to €0.53 Million in 2011.

As of December 31, 2012, the Group's financial situation remains healthy and strong, with balance sheet equity of €5.8 Million, long-term financial debt of €1.6 Million, and a net cash position of €9 Million.

OUTLOOK FOR 2013

The difficult context surrounding ITESOFT's general market incites the company to remain prudent concerning its annual outlook.

ITESOFT remains confident in the success of its business strategy, which brings clients ever-higher levels of value through its technologies.

This strategy is expected to enable FreeMind to consolidate its existing client base, while leveraging the differentiation of its offer to generate new business.

Yooz, the Group's SaaS mode offer, should once again show a high level of growth, following the activity's progression of 100% in 2012.

(1) Audit procedures have been completed and the audit report including certification is currently being issued.

Next publication: April 23, 2013, Q1 2013 sales revenue

About ITESOFT - www.itesoft.com

Founded in 1984, ITESOFT is the leading software developer in France and one of the leaders worldwide for the process automation market with its electronic capture and automatic document processing solutions.

Group revenue in 2012: €21.7 Million – Staff in 2012: 191 people.

ITESOFT's mission is to make processes that rely on business document exchange smoother, simpler and faster.

ITESOFT offers an innovative range of solutions for capturing, automatically processing, and handling all documents flowing into companies. The company's offer is based on two product lines:

- **FreeMind**, a licensable solution for capturing and automatically processing documents for large organizations. This includes handwritten correspondence, forms (such as order forms and slips), invoices, payments (cherubs and drafts).
- **Yooz**, an SaaS solution for capturing and automatically processing supplier invoices, designed for small, very small, and medium-sized companies, associations, certified accountants, and local government.

ITESOFT solutions significantly and measurably increase the efficiency of business processes that depend on flows of paper and electronic documents (purchase to pay, order to cash, mail and client

file processing...). These solutions enable clients to increase productivity, reduce document processing costs, and ensure end-to-end processing reliability and tracking.

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

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