

**Leading Provider of Language Translation Technologies**
**Annual Results 2009**

- **Consolidated Sales: 8,564 K€**
- **Net Income: 304K€**

February 12<sup>th</sup> 2010 – SYSTRAN, the leading provider of language translation technologies, today announced its consolidated financial results for the year ended December 31, 2009.

| Consolidated and Audited Accounts<br>(in K€) | 2009<br>(IFRS) | 2008<br>(IFRS) | Annual Change<br>2009 / 2008 |
|--|----------------|----------------|------------------------------|
| <b>Sales</b>                                 | <b>8,564</b>   | <b>7,649</b>   | <b>+12%</b>                  |
| <b>Current Operating Income (Loss)</b>       | <b>28</b>      | <b>-72</b>     | <b>NA</b>                    |
| <b>%</b>                                     | <b>NA</b>      | <b>NA</b>      |                              |
| <b>Net Income (Loss) - Group's Share</b>     | <b>304</b>     | <b>-7,107</b>  | <b>NA</b>                    |
| <b>%</b>                                     | <b>3.5%</b>    | <b>NA</b>      |                              |

SYSTRAN's consolidated sales amounted to 8.56 million Euros in 2009, an increase of 12% as compared with 2008.

In 2009, salaries and wages and other expenses increased respectively by 16.9% and 6.5%. Consolidated current operating income amounted of 28,000 Euros as compared with a loss of 72,000 Euros in 2008. A significant share of the salaries and wages are dedicated to research and development in which the Company continues to dedicate 20 to 25% of its annual sales. Despite losses on the foreign exchange rate, the Company recorded positive financial income from gains and interest earned on investments. Taxes are attributed to SYSTRAN Software, Inc. and SYSTRAN S.A. recorded a tax-credit related to its research and development activities.

Consolidated net income amounted to 304,000 Euros in 2009 versus a loss of 7.11 million Euros in 2008 resulting from the depreciation of intangible assets.

Total shareholders' equity amounted to 15.02 million Euros as compared with 15.28 million Euros as of December 31, 2008. The Company has no significant debt and the Company's net cash position increased to 11.2 million Euros at December 31, 2009, as compared with 9.3 million Euros on December 31, 2008.

 **Activities - 2009**

| In K€                        | 2009         | In %<br>of total | 2008         | In %<br>of total | Annual<br>Change<br>2009 / 2008 |
|------------------------------|--------------|------------------|--------------|------------------|---------------------------------|
| <b>Software Publishing</b>   | <b>5,618</b> | <b>65.6%</b>     | <b>5,758</b> | 75.3%            | <b>-2.4%</b>                    |
| <b>Professional Services</b> | <b>2,946</b> | <b>34.4%</b>     | <b>1,891</b> | 24.7%            | <b>+55.8%</b>                   |
| <b>Consolidated Sales</b>    | <b>8,564</b> | <b>100.0%</b>    | <b>7,649</b> | 100.0%           | <b>+12.0%</b>                   |

Total sales amounted to 8.56 million Euros, an increase of 12% as compared with 2008. **Professional Services** sales increased to 2.94 million Euros while **Software Publishing** slightly decreased to 5.62 million Euros.

The decrease in **Software Publishing** sales is attributed to a 44.1% decline in **Desktop Product** sales. The version 6 of **Desktop Product** was launched in 2006 and is now at the end of its lifecycle. It will be replaced by a new version in 2010. The launch of the new version 7 of **Server Products** in 2009 was a success and sales grew by 35.7% compared to 2008.

**Professional Services** sales increased significantly compared to 2008 and represent 34.4% of total sales. This reflects the impact of new orders received from the US Government in 2008 and 2009.

**Outlook**

In 2010 SYSTRAN's efforts will focus on the development of the **Software Publishing** business segment:

- Commercial investment to develop sales of its version 7 **Server Products** to **Corporate** customers;
- The release of its version 7 **Desktop Products** and commercial investment to develop online and channel sales.

As of December 31, 2009 unearned revenue from license sales amounted to 1.0 million Euros as compared with 1.2 million Euros at December 31, 2008.

SYSTRAN also expects that **Professional Services** with US agencies will remain stable. As of December 31, 2009 total work orders for **Professional Services** amounted to 0.8 million Euros as compared with 1.4 million Euros at December 31, 2007.

**Dispute with the European Commission**

The oral procedure took place in Luxembourg on October 27, 2009. After the proceedings the Court declared the oral procedure closed but did not announce any decision date.



## About SYSTRAN

SYSTRAN is the market leading provider of language translation software products and solutions for the desktop, enterprise and Internet.

Use of SYSTRAN products and solutions enhance multilingual communication and increase user productivity. SYSTRAN delivers real-time language solutions for search, content management, online customer support, intra or inter company collaboration, and eCommerce.

With the ability to facilitate communication in 52 language combinations and in 20 vertical domains, SYSTRAN's software is the choice of leading global corporations, portals including Apple, Yahoo! and AltaVista, and public agencies such as the US Intelligence Community and the European Commission.

SYSTRAN has been pioneering advances in machine translation for over four decades. Its latest achievement, SYSTRAN Hybrid MT, combines the predictability and language consistency of rule-based machine translation with the fluency of statistical MT.

SYSTRAN is headquartered in Paris, France with a North American office located in San Diego, California, USA.

SYSTRAN (Code ISIN FR0004109197, Bloomberg: SYST NM, Reuters: SYTN.LN) is listed on EuroNext Paris, Compartiment C.

For more information, visit [www.systransoft.com](http://www.systransoft.com)

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Revenue for the first quarter 2010 ending on March 31, 2010 will be announced on May 7, 2010.

This Press Release is available for download at:  
<http://www.systransoft.com/systran/investors/press-releases>



| <i>(In K€)</i>  | Year 2009<br>(12 months) | Year 2008<br>(12 months) | Year 2007<br>(12 months) |
|---|--------------------------|--------------------------|--------------------------|
| <b>Net sales</b>  | <b>8 564</b>             | <b>7,649</b>             | <b>8,848</b>             |
| Cost of sales and other external expenses                           | (3 019)                  | (2,835)                  | (2,990)                  |
| Wages and salaries  | (5 020)                  | (4,293)                  | (4,419)                  |
| Taxes and duties  | (228)                    | (192)                    | (189)                    |
| Depreciation and amortization (net)                                 | (299)                    | (331)                    | (303)                    |
| Other income / (expenses)   | 30                       | (70)                     | 7                        |
| <b>Current operating income</b>                                     | <b>28</b>                | <b>(72)</b>              | <b>954</b>               |
| Other operating income  | 70                       | 17                       | 13                       |
| Other operating expenses  | (58)                     | (11,881)                 | (50)                     |
| <b>Operating income</b>   | <b>40</b>                | <b>(11,936)</b>          | <b>917</b>               |
| Net cost of debt  | 192                      | 420                      | (130)                    |
| Other financial income  | 34                       | 867                      | 130                      |
| Other financial expenses  | (130)                    | (788)                    | (157)                    |
| <b>Net financial income</b>   | <b>96</b>                | <b>499</b>               | <b>(157)</b>             |
| <b>Profit before tax</b>  | <b>136</b>               | <b>(11,437)</b>          | <b>760</b>               |
| Income tax expenses   | 168                      | 4,330                    | 58                       |
| <b>Profit from operations</b>                                       | <b>304</b>               | <b>(7,107)</b>           | <b>818</b>               |
| Minority interest   | 0                        | 0                        | 0                        |
| <b>Net income / (loss) – Group's share</b>                          | <b>304</b>               | <b>(7,107)</b>           | <b>818</b>               |
| <b>Earning / (loss) per share</b>                                   |                          |                          |                          |
| <i>On the basis of the average number of shares in circulation:</i> | <b>Year 2009</b>         | <b>Year 2008</b>         | <b>Year 2007</b>         |
| - Number of common shares   | 8,940,664                | 9,476,208                | 9,683,504                |
| - <b>Euros per share</b>  | <b>0.03</b>              | <b>-0.75</b>             | <b>0.08</b>              |