

European Commission has brought an appeal before the Court of Justice against the December 16th 2010 general Court Decision

PARIS, FRANCE and SAN DIEGO, CA—March 1, 2011—

[SYSTRAN](#), the leading provider of language translation technologies, announced today that they were informed that the European Commission has brought an appeal before the Court of Justice against the General Court decision of December 16, 2010.

This appeal is limited to points of law only and the General Court decision remains enforceable. The Commission who has already partially complied with the decision by paying the sum of 5,685,240 Euros to SYSTRAN on February 9, 2010 will therefore have to pay the remaining damages as they committed to in their letter addressed to SYSTRAN dated January 19, 2011.

About December 16th 2010 General Court decision

On December 16th, 2010, the General Court ordered the Commission to pay SYSTRAN liquidated damages of 12,001,000 Euros.

In a press release issued on the same day, the General Court declared that “Consequently, by granting the right to carry out work which necessarily entailed an alteration of elements of the Systran Unix version of the Systran software which are within the EC-Systran Unix version, without first obtaining the consent of the Systran group, the Commission acted unlawfully by infringing the general principles common to the law of the Member States applicable to copyright and know-how. That wrongful act, which is a sufficiently serious breach of the copyright and know-how held by the Systran group in the Systran Unix version of the Systran software, gives rise to non-contractual liability on the part of the European Union.

As regards the damage, the General Court rules that liquidated damages and interest amounting to €12 001 000 must be paid to Systran to compensate it for the damage suffered as a result of the Commission’s unlawful conduct, namely:

- €7 million corresponding to the total fees which would have been payable between 2004 and 2010 if the Commission had requested permission to use Systran’s intellectual property rights in order to carry out the work specified in the call for tenders, which requires access to and alteration of elements of the Systran Unix version reproduced in the EC-Systran Unix version;*
- €5 million as compensation for the effect which the Commission’s conduct might have had on Systran’s turnover in the years 2004 to 2010, and more widely on the development of that company;*
- €1 000 as compensation for non-material damage.*

In addition, the General Court observes that it is for the Commission to draw all appropriate conclusions in order to ensure that Systran’s rights in the Systran Unix version are taken into account as concerns the work relating to the EC-Systran Unix version. If they are not taken

into account, given that the damage for which compensation is awarded in this case holds only for the period from 2004 to the date of delivery of this judgment, Systran would be entitled to bring before the General Court a fresh action seeking damages in respect of the further damage it might suffer.

Lastly, the General Court adds that the publication of this press release is also a form of non-pecuniary compensation for the non-material damage caused by the harm to Systran's reputation as a result of the Commission's unlawful conduct. "

The full press release can be downloaded at: http://curia.europa.eu/jcms/jcms/Jo2_16799

The full decision can be consulted on the Court of Justice of European Union web site:
<http://curia.europa.eu>

About SYSTRAN

SYSTRAN is the leading provider of language translation software products and solutions for the desktop, enterprise and Internet. Facilitating communication in 52 language combinations, SYSTRAN machine translation products increase user productivity and time-savings.

With over four decades of expertise and research and development, SYSTRAN's machine translation software is the choice of leading global corporations, portals including Apple, AltaVista and Yahoo!, and public agencies like the US Intelligence Community and the European Commission.

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.

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