PRESS RELEASE

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GLOBAL GRAPHICS REPORTS RESULTS FOR THE FIRST QUARTER OF 2013

Pompey (France), Friday 26 April 2013 - GLOBAL GRAPHICS SA (NYSE-Euronext: GLOG), experts in developing e-document and printing software, announces its consolidated results for the quarter ended 31 March 2013.

ANALYSIS OF THE COMPANY'S FINANCIAL PERFORMANCE

Comparisons for the quarter ended 31 March 2013 with the first quarter of the financial year ended 31 December 2012 include:

- sales of Euro 1.9 million this quarter (Euro 2.0 million at Q1 2012 exchange rates) compared with Euro 2.0 million in Q1 2012, or a decrease of 8.2% at current exchange rates, and of 2.4% at constant exchange rates;
- an operating loss of Euro 0.8 million this quarter, compared with an operating loss of Euro 0.3 million in Q1 2012;
- an adjusted operating loss (EBITA) of Euro 0.4 million this quarter, compared with an adjusted operating loss of Euro 0.3 million in Q1 2012;
- a net loss of Euro 0.8 million this quarter (or a net loss of Euro 0.08 per share this quarter), compared with a net loss of Euro 0.3 million in Q1 2012 (or a net loss of Euro 0.03 per share in Q1 2012); and
- an adjusted net loss of Euro 0.4 million this quarter (or an adjusted net loss of Euro 0.04 per share this quarter), compared with an adjusted net loss of Euro 0.3 million in Q1 2012 (or an adjusted net loss of Euro 0.03 per share in Q1 2012).

Sales for the quarter ended 31 March 2013 include the royalty revenue referred to under note 2b (iii) of the Board's report on operations for the financial year ended 31 December 2012, which is included in the Company's annual financial report for 2012 and which was released by the Company on 15 April 2013.
The Company's consolidated results for the quarter ended 31 March 2013 were unfavorably impacted by a non-recurring, operating expense amounting to Euro 0.3 million, which resulted from the Board's decision to implement a reorganization of the Company's legal structure, as announced in a press release issued on 15 April 2013.

Cash position and cash flow analysis

The Company had no outstanding debt and a cash position of Euro 2.1 million as at 31 March 2013, compared with a net cash position of approximately Euro 2.3 million as at 31 December 2012, and of Euro 1.3 million as at 31 March 2012.

Cash flows provided by the Company's operations amounted to Euro 0.3 million in the quarter ended 31 March 2013 (compared with cash flows used in the amount of Euro 0.6 million in the same period of the financial year ended 31 December 2012), allowing the Company to finance its operating requirements and its capital expenditures during the first quarter of the current financial year.

Detailed discussion of the Company's financial performance

A detailed discussion of the Company's financial performance during the quarter ended 31 March 2013, including a comparison with the previous financial year's comparative period, is set out in note 2 to the interim management report of the Company's Board of Directors for the quarter ended 31 March 2013, which is attached to this press release, together with the condensed consolidated interim financial statements for that quarter.

MANAGEMENT'S COMMENTS

Gary Fry, Global Graphics' Chief Executive Officer declared: "During the first quarter of 2013, we launched our end-user product gDoc Binder, which is available to purchase through our new web site www.gdoc.com. gDoc Binder is a software ring-binder, which is aimed at consumers but also gives our channel partners the ability to share it with their prospects. It also demonstrates the kind of software application that can be built by developers and user interface specialist on our gDoc Platform.

"I am pleased to say that the gDoc Platform won the Technology Innovation category of the 2013 KnowList Awards for the professional services industry. The awards are made to organizations that have developed innovative technology solutions as saleable products.

"On the Print side of our business, we welcomed Kendall Madsen as VP of the Harlequin Print Division. Kendall comes to us with many years' experience of the print industry, both in development management and product management."

PROJECTED LEGAL REORGANISATION

On 15 April 2013, the Company announced that it planned to transfer its listing to NYSE Alternext Brussels and to simplify its legal structure, notably through the conversion of Global Graphics SA into a European Company (SE), and through the transfer of the Company's registered office from France to the UK, subject in both instances to approval by the Company's shareholders in their meetings scheduled on 7 June and 18 October 2013, respectively.

Additional information on the projected legal reorganization of the Company is available on a dedicated page of the Investor section of the Company's website at:
http://www.globalgraphics.com/investors/legal-reorganization

ANALYST MEETING

Global Graphics expects to hold an analyst meeting on Friday 7 June 2013, at 11.00 CET, at the Hôtel du Châtelain, 17 rue du Châtelain, in Brussels (Belgium).

ANNUAL MEETING OF THE COMPANY'S SHAREHOLDERS

Global Graphics expects to hold its annual meeting on Friday 7 June 2013, at 14.00 CET, at the Hôtel du Châtelain, 17 rue du Châtelain, in Brussels (Belgium).

In accordance with applicable legal and regulatory provisions, the agenda of this meeting of the Company's shareholders, the proposed resolutions (notably on the proposed transfer of the listing of the Company's share on NYSE Alternext Brussels, and the proposed conversion of Global Graphics SA into Global Graphics SE), and the voting procedures will be announced today after market close.

RESULTS FOR THE QUARTER AND THE SIX-MONTH PERIOD ENDING 30 JUNE 2013

Global Graphics expects to announce its consolidated results for the current quarter and the six-month ending 30 June 2013 on Thursday 1 August 2013 before market opening.

ABOUT GLOBAL GRAPHICS

Global Graphics (www.globalgraphics.com) is a leading developer of e-document and printing software. Its high-performance solutions are at the heart of products from customers such as HP, Fuji Xerox, Agfa, Corel and Quark.

Forward-looking statements

This press release contains, in addition to historical information, forward-looking statements that involve risks and uncertainties. These include statements regarding the Company's growth, funding, expansion plans and expected results for future periods.

Such statements are based on management's current expectations and are subject to a number of uncertainties and risks that could cause actual results to differ materially from those described in the forward-looking statements. Although management believes that their expectations reflected in the forward-looking statements are reasonable based on information currently available to them, they cannot assure any reader that the expectations will prove to have been correct. Accordingly, any reader should not place undue reliance on these forward-looking statements.

In any event, these statements speak only as of the date of this release. The Company undertakes no obligation to revise or update any of them, neither to reflect events or circumstances after the date of this release, nor to reflect new information nor the occurrence of unanticipated events.

GLOBAL GRAPHICS SA AND SUBSIDIARIES
CONDENSED CONSOLIDATED INTERIM STATEMENT OF INCOME (LOSS)

In thousands of euros, except per share data in euro Unaudited and unreviewed figures	Quarter ended 31 March 2013	Quarter ended 31 March 2012
Sales	1,880	2,048
Cost of sales	(82)	(83)
GROSS PROFIT	1,798	1,965
Selling, general & admin. expenses	(1,001)	(1,097)
Research and development expenses	(1,293)	(1,179)
Other operating expenses (note 5a)	(302)	0
Other operating income (note 5b)	0	0
OPERATING PROFIT (LOSS)	(798)	(311)
Interest income (note 6)	0	1
Interest expenses (note 6)	0	0
Net foreign exchange gains (losses)	0	(19)
PROFIT (LOSS) BEFORE INCOME TAX	(798)	(329)
Income tax benefit (expense) (note 7)	(7)	6
NET PROFIT (LOSS)	(805)	(323)
NET PROFIT (LOSS) PER SHARE (note 8)		
Basic net profit (loss) per share	(0.08)	(0.03)
Diluted net profit (loss) per share	(0.08)	(0.03)

The accompanying selected explanatory notes are an integral part of the Company's condensed consolidated interim financial statements as at and for the quarter ended 31 March 2013.

GLOBAL GRAPHICS SA AND SUBSIDIARIES
CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME (LOSS)

In thousands of euros, except per share data in euro Unaudited and unreviewed figures	Quarter ended 31 March 2013	Quarter ended 31 March 2012
Net profit (loss) for the period	(805)	(323)
Items never reclassified subsequently to profit or loss	0	0
Items that may be reclassified subsequently to profit or loss:		
- Exchange differences on translating foreign operations	(390)	(20)
- Income tax on items that may be reclassified subsequently to profit or loss	0	0
Total items that may be reclassified subsequently to profit or loss	(390)	(20)
Other comprehensive income (loss) for the period, net of income tax	(390)	(20)
Total comprehensive income (loss) for the period	(1,195)	(343)

The accompanying selected explanatory notes are an integral part of the Company’s condensed consolidated interim financial statements as at and for the quarter ended 31 March 2013.

GLOBAL GRAPHICS SA AND SUBSIDIARIES
CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

In thousands of euros	31 March 2013 Unaudited & unreviewed figures	31 December 2012
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	420	369
Other intangible assets (note 9)	4,965	5,225
Goodwill (note 10)	6,780	6,984
Financial assets	106	110
Deferred tax assets, net	40	44
TOTAL NON-CURRENT ASSETS	12,311	12,732
CURRENT ASSETS		
Inventories	16	17
Trade receivables (note 11)	1,548	1,984
Current income tax receivables	56	51
Other current receivables	87	75
Prepaid expenses	523	484
Cash	2,076	2,252
TOTAL CURRENT ASSETS	4,306	4,863
TOTAL ASSETS	16,617	17,595
LIABILITIES AND SHAREHOLDERS'EQUITY		
SHAREHOLDERS'EQUITY		
Share capital (note 12a)	4,116	4,116
Share premium (note 12b)	28,708	28,737
Reserve for share-based compensation expenses	3,277	3,244
Reserve for own shares (note 13)	(1,157)	(1,186)
Accumulated deficit	(9,333)	(8,528)
Foreign currency translation reserve	(10,945)	(10,555)
TOTAL SHAREHOLDERS'EQUITY	14,666	15,828
LIABILITIES		
NON-CURRENT LIABILITIES		
Other non-current liabilities	2	2
TOTAL NON-CURRENT LIABILITIES	2	2
CURRENT LIABILITIES		
Trade payables	409	269
Current income tax payables	19	22
Other payables	763	821
Customer advances and deferred revenue	758	653
TOTAL CURRENT LIABILITIES	1,949	1,765
TOTAL LIABILITIES	1,951	1,767
TOTAL LIABILITIES AND SHAREHOLDERS'EQUITY	16,617	17,595

The accompanying selected explanatory notes are an integral part of the Company's condensed consolidated interim financial statements as at and for the quarter ended 31 March 2013.
Figures for the year ended 31 December 2012 have been extracted from the audited consolidated financial statements for that year.

GLOBAL GRAPHICS SA AND SUBSIDIARIES
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

In thousands of euros Unaudited and unreviewed figures	Quarter ended 31 March 2013	Quarter ended 31 March 2012
Shareholders' equity at 1 January	15,828	15,467
Total comprehensive profit for the year	(1,195)	(343)
Effect of share-based compensation plans:		
- Value of services rendered by employees (note 4d)	33	33
- Operating expenses incurred with respect of share-based compensation plans (note 12b)	(29)	(5)
Total effect of share-based compensation plans	4	28
Changes in the amount of the reserve for own shares:		
- Repurchase of own shares (note 13a)	0	0
- Grant of own shares at no cost (note 13b)	29	0
Total change in the amount of the reserve for own shares	29	0
Shareholders' equity at 31 March	14,666	15,152

The accompanying selected explanatory notes are an integral part of the Company's condensed consolidated interim financial statements as at and for the quarter ended 31 March 2013.

GLOBAL GRAPHICS SA AND SUBSIDIARIES
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

In thousands of euros Unaudited and unreviewed figures	Quarter ended 31 March 2013	Quarter ended 31 March 2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit (loss) for the period	(805)	(323)
Adjustments for operating items without effect on cash:		
- Depreciation of property, plant and equipment	50	45
- Amort. and impairment of intangible assets (note 9b)	460	316
- Share-based compensation expenses (note 4d)	33	33
- Net interest (income) expenses (note 6)	0	(1)
- Net exchange (gains) losses (note 6)	0	19
- Income tax (benefit) expense (note 7)	7	(6)
- Expenses offset against the share premium (note 12b)	(29)	(5)
Exchange rate differences	8	(38)
Other items	22	72
Change in value of operating assets and liabilities:		
- Inventories	1	2
- Trade receivables (note 11)	436	(360)
- Current income tax receivables	(5)	(73)
- Other current receivables	(12)	(19)
- Prepaid expenses	(39)	(101)
- Trade payables	140	195
- Current income tax payables	(3)	(11)
- Other payables	(58)	(273)
- Customer advances and deferred revenue	105	26
Cash received in the period for interest income	0	1
Cash received (paid) in the period for income taxes	0	(76)
NET CASH FLOW PROVIDED BY (USED IN) OPERATING ACTIVITIES	311	(577)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures on property, plant and equipment	(111)	(41)
Capital expenditures on other intangible assets	0	0
Capitalization of development expenses (note 4b)	(355)	(369)
NET CASH FLOW USED IN INVESTING ACTIVITIES	(466)	(410)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repurchase of own shares (note 13a)	0	0
NET CASH FLOW USED IN FINANCING ACTIVITIES	0	0
NET INCREASE (DECREASE) OF CASH IN THE PERIOD	(155)	(987)
CASH AT 1 JANUARY	2,252	2,315
EFFECT OF EXCHANGE RATE CHANGES ON CASH AT 1 JANUARY	(21)	(17)
CASH AT 31 MARCH	2,076	1,311

The accompanying selected explanatory notes are an integral part of the Company’s condensed consolidated interim financial statements as at and for the quarter ended 31 March 2013.

GLOBAL GRAPHICS SA AND SUBSIDIARIES
SELECTED EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE QUARTER ENDED 31 MARCH 2013

NOTE 1: REPORTING ENTITY

These condensed consolidated interim financial statements as at and for the quarter ended 31 March 2013 comprise Global Graphics SA, a French-based company (the Parent), and its subsidiaries (together referred to as the Company).
These condensed consolidated interim financial statements were authorized for issue by the Parent's Board of Directors on 25 April 2013.

NOTE 2: BASIS OF PREPARATION

(a) Statement of compliance

These condensed consolidated interim financial statements as at and for the quarter ended 31 March 2013 have been prepared in accordance with IAS 34, Interim Financial Reporting (IAS 34), and more generally with International Financial Reporting Standards (IFRSs) and related interpretations issued by the International Accounting Standards Board (IASB), as adopted by the European Union (EU).
For the purposes of their inclusion in the Company's quarterly earnings release, these condensed consolidated interim financial statements do not include all of the information required for full annual consolidated financial statements and should therefore be read in conjunction with the Company's consolidated financial statements as at and for the year ended 31 December 2012.

(b) Basis of measurement

These condensed consolidated interim financial statements have been prepared under the historical cost convention, except for the revaluation of derivative instruments at fair value through the income statement.
Non-current assets are stated at the lower of amortized cost and fair value less disposal costs, when applicable.
The methods used to measure fair value in these condensed consolidated interim financial statements are identical to those used for the preparation of the Company's consolidated financial statements as at and for the year ended 31 December 2012, which are set out in note 4 to the Company's consolidated financial statements for that year.

(c) Functional and presentation currency

These condensed consolidated interim financial statements are presented in thousands of euros, which is the Parent's functional and presentation currency, rounded to the nearest thousand, unless otherwise specified.

(d) Going concern

The Company had no outstanding financial debt and a cash position of 2,076 as at 31 March 2013, compared with 2,252 as at 31 December 2012.
On the date these condensed interim consolidated financial statements were drafted, based on their review of cash flow projections prepared by management for the 21-month period ending 31 December 2014, the members of the Parent's Board of Directors have no reason to believe that a material uncertainty exists that may cast significant doubt about the Company's ability to continue as a going concern over that period.

NOTE 3: ACCOUNTING POLICIES AND METHODS

The accounting policies and methods used for the preparation of these condensed consolidated interim financial statements are the same as those used for the preparation of the Company's consolidated financial statements as at and for the year ended 31 December 2012, which are set out in note 3 to the Company's consolidated financial statements for that year.

NOTE 4: CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in accordance with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Company's accounting policies, and to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses.

The estimates and underlying assumptions are based on historical experience and various other relevant factors that are believed to be reasonable under the circumstances, the results of which form the basis of making management's judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period and future periods if the revision affects both current and future periods.

Judgements made by the Company's management in the application of IFRSs that have a significant effect on the Company's condensed consolidated interim financial statements as at and for the quarter ended 31 March 2013, and assumptions or estimates with a significant risk of material adjustment in the coming twelve months, are discussed hereafter.

(a) Impairment of goodwill and other intangible assets

(i) Goodwill and other intangible assets with indefinite useful lives

The Company is required to test annually whether goodwill and other intangible assets with indefinite useful lives have suffered any impairment during the year in accordance with the policy set out in note 3f to the Company's consolidated financial statements for the year ended 31 December 2012.

In accordance with paragraph 36 of Appendix B of IAS 34, the Company did not perform a detailed impairment computation at 31 March 2013 as had been done at 31 December 2012, but reviewed indications of possible impairment of goodwill and other intangible assets with indefinite useful lives as at and during the quarter ended 31 March 2013.

Based on the results of this review, the Company concluded that no impairment of goodwill and other intangible assets with indefinite useful lives was required as at and for the quarter ended 31 March 2013 (see also note 10b below).

(ii) Intangible assets that are subject to amortization

Intangible assets that are subject to amortization (notably those arising from the capitalization of development costs in accordance with criteria set in IAS 38, Intangible Assets) are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

- Intangible assets reported under the Print segment of the Company's business

Intangible assets which are reported as part of the Print segment of the Company's business (see note 14e below) relate to two development projects (namely the Harlequin and Jaws RIP software) which management believes to meet the recognition criteria set out in paragraphs 57 to 62 of IAS 38.

Considering the absence of material changes during the quarter ended 31 March 2013 in the assumptions used at 31 December 2012 for identifying any requirement to impair the intangible assets reported under the Print segment of the Company’s business, and the absence of any impairment for these intangible assets at the latter date, management concluded that no impairment for the intangible assets reported under the Print segment of the Company’s business was required as at and during the quarter ended 31 March 2013.

- Intangible assets reported under the eDoc segment of the Company’s business
Intangible assets which are reported as part of the eDoc segment of the Company’s business (see note 14e below) relate to three development projects (namely EDL and gDoc applications, and other conversion technologies) which management believes to meet the recognition criteria set out in paragraphs 57 to 62 of IAS 38.

EDL and gDoc applications
Considering the absence of material changes during the quarter ended 31 March 2013 in the assumptions used at 31 December 2012 for identifying any requirement to impair these two intangible assets reported under the eDoc segment of the Company’s business, and the absence of any impairment for these two intangible assets at the latter date, management concluded that no impairment for these two intangible assets reported under the eDoc segment of the Company’s business was required as at and during the quarter ended 31 March 2013.

Other conversion technologies
An impairment expense amounting to 163 was recognized in the quarter and in the year ended 31 December 2012, since management considered it was not able to demonstrate that all abovementioned capitalization criteria were met as at 31 December 2012.
A similar review was undertaken as at 31 March 2013 to assess these criteria were met or not at that date and concluded that they were not met on that date and that the impairment of capitalized costs arising from that development project was required as at 31 March 2013

(b) Capitalization and amortization of computer software development costs

(i) Development cost capitalization and amortization methods used by the Company
As stated in note 3e to the Company’s consolidated financial statements for the year ended 31 December 2012, costs associated with maintaining existing computer software technology and programmes are recognised as an expense when incurred.
Are recognized as intangible assets costs that are directly associated with the production of identifiable and unique software products over which the Company has proprietary rights, that can be measured reliably, and where it is probable that future economic benefits attributable to such software products will flow to the Company. Such costs only include software development employee costs.
Development costs recognized as intangible assets are amortised from the point the asset is ready for use on a straight-line basis over its estimated useful life, which do not exceed ten years. The corresponding amortization charge is included in Research and development expenses in the consolidated statement of income.

(ii) Capitalization of computer software development costs
The following tables provide information on the aggregate amounts of computer software development costs which were capitalized as at 31 March 2012 and 2013, as well as on the amounts which were capitalized during the quarters then ended for those projects referred to in note 4a (ii) above:

- Quarter ended 31 March 2013

In thousands of euros Unaudited and unreviewed figures	Total capitalised at 31 March 2013	Amount capitalised in the quarter ended 31 March 2013
Harlequin RIP	6,202	169
Jaws RIP	676	61
Total Print segment	6,878	230
Electronic Document Libraries (EDL)	1,679	22
gDoc applications	2,044	103
Other conversion technologies	156	0
Total eDoc segment	3,879	125
Total	10,757	355

- Quarter ended 31 March 2012

In thousands of euros Unaudited and unreviewed figures	Total capitalised at 31 March 2012	Amount capitalised in the quarter ended 31 March 2012
Harlequin RIP	5,592	163
Jaws RIP	407	72
Total Print segment	5,999	235
Electronic Document Libraries (EDL)	1,602	31
gDoc applications	1,534	103
Other conversion technologies	158	0
Total eDoc segment	3,294	134
Total	9,293	369

(iii) Amortization of capitalized computer software development costs

The following tables provide information on accumulated amortization as at 31 March 2012 and 2013, as well as on the amortization and/or impairment expenses which were recognized during the quarters then ended for those projects referred to in note 4a (ii) above:

- Quarter ended 31 March 2013

In thousands of euros Unaudited and unreviewed figures	Accumulated amortisation at 31 March 2013	Amortisation expense in the quarter ended 31 March 2013
Harlequin RIP	3,324	246
Jaws RIP	135	43
Total Print segment	3,459	289
Electronic Document Libraries (EDL)	937	53
gDoc applications	1,292	116
Other conversion technologies	156	0
Total eDoc segment	2,385	169
Total	5,844	458

- Quarter ended 31 March 2012

In thousands of euros Unaudited and unreviewed figures	Accumulated amortisation at 31 March 2012	Amortisation expense in the quarter ended 31 March 2012
Harlequin RIP	2,455	185
Jaws RIP	0	0
Total Print segment	2,455	185
Electronic Document Libraries (EDL)	733	54
gDoc applications	777	75
Other conversion technologies	0	0
Total eDoc segment	1,510	129
Total	3,965	314

(c) Income tax

(i) Current income tax
The Company is subject to income tax in France and in all jurisdictions where it has subsidiaries, notably in the UK and the US.
Significant judgement is required in determining the provision for income taxes, as there are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business.

(ii) Deferred income tax

- Policy used by the Company for recognizing deferred tax assets
The Company recognises deferred tax assets as stated in note 3p to the Company's consolidated financial statements for the financial year ended 31 December 2012.
In evaluating whether it is probable or not that a deferred tax asset recognised in a specific jurisdiction may be utilised against future taxable profits to be recognised in that jurisdiction, the Company uses estimates of future taxable profits over an appropriate period of time from the balance sheet date (currently being four years), based on sales growth and profit assumptions considered to be appropriate by management over that four-year period.
Should these growth assumptions be revised downwards in future periods, the Company may be required to record a significant deferred tax charge during the period in which the downward revision of these assumptions would be effected, resulting in an unfavorable impact on the Company's results of operations.

- Deferred tax asset attributable to capital allowances
Deferred tax assets are predominantly attributable to capital allowances available to the UK subsidiaries as the result of the acquisitions made by the Company in the years ended 31 December 1999 and 2000. Although such allowances may be used without any deadline, they can only be used in a given year up to 20% of the outstanding balance at the beginning of that year.
The recognition of a deferred tax asset corresponding to the amount of capital allowances the Company projected to use over the four-year period ending 31 March 2017 to offset projected taxable profit to be made by its UK subsidiary over such period was made using the tax rate that was expected to apply to the period when the deferred tax asset would be expected to be realized, i.e. 23.0% from 1 April 2013, as set out in note 7d below.
It resulted in the recognition of a deferred tax asset of 1,130 as at 31 March 2013, and a deferred tax expense of 24 in the quarter then ended.

- Deferred tax liability arising from the capitalization of developments costs
The recognition of a deferred tax liability corresponding to the amount of development costs capitalized in accordance with applicable provisions of IAS 38, net of applicable amortization and/or impairment, was made using the tax rate that is expected to apply to the period when the deferred tax liability is expected to be settled realized, i.e. 23.0% from 1 April 2013, as set out in note 7d below.
It resulted in the recognition of a deferred tax liability of 1,130 as at 31 March 2013, and a deferred tax benefit of 24 in the quarter then ended.

(d) Share-based compensation expense

(i) Share options

- Outstanding and exercisable share options as at 31 March 2013
The following table summarises information about the Company's outstanding and exercisable share options as at 31 March 2013, which expire on 6 August 2016:

Grant dates of share options Exercise prices are in euros	Outstanding at 31 March 2013	Exercise price per share	Exercisable at 31 March 2013	Exercise price per share
6 August 2008	200,000	2.08	0	2.08
18 September 2008	20,000	1.94	0	1.94
17 December 2008	75,000	2.08	0	2.08
28 July 2010	10,000	1.65	0	1.65
2 November 2011	275,000	1.06	0	1.06
Total	580,000	1.58	0	

- Main terms and conditions of abovementioned share option grants

Share option grants made in the years ended 31 December 2008 to 2010
Two conditions are attached to the exercise of share options which were granted in the years ended 31 December 2008 to 2010:
- firstly, the recipient of the share option grant must have been an employee and/or a director of the Company at all times between the date when the options were granted to him/her and the date(s) when he/she exercises all of part of these options; and
- secondly, the exercise of options may be done by the recipient of such share option grant but only from the date when the average of the closing prices reported for the Company's share over the last 120 trading days is at least equal to Euro 4.00 for the first quarter of the number of options granted to the recipient of the share option grant, to Euro 8.00 for the second quarter of the number of options granted to the recipient of the share option grant, to Euro 12.00 for the third quarter of the number of options granted to the recipient of the share option grant, and to Euro 16.00 for the last quarter of the number of options granted to the recipient of the share option grant.
An accelerated vesting of these options, regardless of whether or not the abovementioned minimum share price conditions were met, would occur should one or several shareholders acting in concert (as defined by article L.233-3 of French Commercial Law) come to hold more than 30.0% of the total number of shares forming the Company's share capital or of the voting rights attached to such shares, or more than the number of shares and/or voting rights attached to such shares held by Stichting Andlinger & Co. Euro-Foundation, which held approximately 28.0% of the Company's shares and voting rights as at March 2013, as set out in note 7b of the interim management report for the quarter ended 31 March 2013.

Share option grant made on 2 November 2011
Two conditions are attached to the exercise of the 275,000 share options which were granted on 2 November 2011 and were still outstanding as at 31 March 2013:
- firstly, the recipient of the share option grant must have been an employee and/or a director of the Company at all times between the date when the options were granted to him/her and the date(s) when he/she exercises all of part of these options; and
- secondly, the exercise of options may be done by the recipient of such share option grant but only from the date when the closing price reported for the Company's share will be at least equal to Euro 2.00 during a minimum of 20 trading days over any period of 60 trading days during which trades occurred in the Company's share for the first half of the number of these options, and at least to Euro 3.00 (computed as mentioned above) for the remaining half.

An accelerated vesting of these options, regardless of whether or not the abovementioned minimum share price conditions were met, would occur should one or several shareholders acting in concert (as defined by article L.233-3 of French Commercial Law) come to hold more than 30.0% of the total number of shares forming the Company's share capital or of the voting rights attached to such shares.

(ii) Share grants

- Grant of shares at no cost to the recipient of such share grant ('free shares')

Grant of free shares made on 29 July 2009
The Parent's Board of Directors made a provisional grant of 24,750 free shares to certain employees of some of the Company's foreign subsidiaries on 29 July 2009.
As at 31 March 2013, after effect of the final grant of shares made to certain employees of the Company when they left the Company's employment since share grant date, a total of 21,000 shares may still be granted at the end of the four-year period starting on share grant date, provided that the recipients of the free share grant have been employees of the Company at all times during that period.
Recipients of such share grant will not be subject to any holding period after final grant date.

Grant of free shares made on 10 March 2011
The Parent's Board of Directors made a provisional grant of 96,000 free shares to certain employees of some of the Company's subsidiaries on 10 March 2011, of which 36,000 shares to Mr. Gary Fry and 4,000 shares to Mr. Alain Pronost in their capacities of Chief Executive Officer and Chief Financial Officer of the Company.
As at 31 March 2013, after effect of the cancellation of the 12,000 shares which were granted to employees who no longer work for the Company, and of the grant of 4,000 shares to Mr. Alain Pronost at the end of the 2-year vesting period, a total of 80,000 shares may still be granted at the end of the vesting period starting on share grant date, provided that the recipients of the free share grant have been employees of the Company at all times during such 4-year vesting period.
Recipients of such share grant will not be subject to any holding period after final grant date, with exception of Mr. Alain Pronost who is required to hold the 4,000 shares granted to him until 10 March 2015.

Grant of free shares made on 2 November 2011
The Parent's Board of Directors made a provisional grant of 24,000 free shares to certain employees of some of the Company's subsidiaries on 2 November 2011.
As at 31 March 2013, all of these 24,000 shares may still be granted at the end of the four-year period starting on share grant date, provided that the recipients of the free share grant have been employees of the Company at all times during that four-year period.

Recipients of such share grant will not be subject to any holding period after final grant date.

Grant of free shares made on 25 October 2012
The Parent's Board of Directors made a provisional grant of 3,000 free shares to certain employees of the Company's subsidiaries on 25 October 2012.
As at 31 March 2013, all of these 3,000 shares may still be granted at the end of the four-year period starting on share grant date, provided that the recipients of the free share grant have been employees of the Company at all times during that four-year period.
Recipients of such share grant will not be subject to any holding period after final grant date.

- Under the Share Incentive Plan
Pursuant to the authorization granted by the Company's shareholders on 29 April 2009, a Share Incentive Plan (SIP) was implemented for the benefit of the Company's employees, notably those of the UK subsidiary of the Company.
Participants to the SIP may be granted ordinary shares of the Company (Matching Shares) in proportion of the purchase of ordinary shares of the Company (Partnership Shares) made through a deduction on their net pay, being noted that such grant of Matching Shares will become final at the end of a three-year period starting on the date of each purchase of Partnership Shares.
At as 31 March 2013, 42,593 shares were granted as SIP Matching Shares to employees of the UK subsidiary of the Company.

(iii) Share-based compensation expense analysis

In thousands of euros Unaudited and unreviewed figures	Quarter ended 31 March 2013	Quarter ended 31 March 2012
Attributable to option grants	17	15
Attributable to share grants	16	18
Total share-based compensation expense	33	33

NOTE 5: OTHER OPERATING EXPENSES AND INCOME

(a) Other operating expenses

(i) Quarter ended 31 March 2013
An amount of 302 was expensed in the quarter ended 31 March 2013 with regards to the estimated cost of the projected legal reorganisation of the Company, as announced on 15 April 2013.
Such amount notably includes the estimated cost of the severance package of Mr. Alain Pronost, for approximately 210.

(ii) Quarter ended 31 March 2012
No amount was reported under the caption Other operating expenses in the quarter ended 31 March 2012.

(b) Other operating income
No amount was reported under the caption Other operating income in either of the quarters ended 31 March 2013 or 2012.

NOTE 6: NET FINANCING GAINS (LOSSES)

In thousands of euros Unaudited and unreviewed figures	Quarter ended 31 March 2013	Quarter ended 31 March 2012
Interest income	0	1
Interest expenses	0	0
Net interest income (expenses)	0	1
Gains (losses) on transactions	0	(18)
Gains (losses) on option contracts	0	(1)
Net exchange gains (losses)	0	(19)
Net financing gains (losses)	0	(18)

NOTE 7: INCOME TAX EXPENSE (BENEFIT)

(a) Current income tax expense (benefit)
The Company recorded a current tax expense of 7 in the quarter ended 31 March 2013, compared with a current tax expense of 4 in the quarter ended 31 March 2012.

(b) Deferred tax expense (benefit)
The following table provides an analysis of the deferred tax expenses (benefits) which were recorded in the quarters ended 31 March 2012 and 2013, respectively:

In thousands of euros Unaudited and unreviewed figures	Quarter ended 31 March 2013	Quarter ended 31 March 2012
Arising from the capitalisation of development expenses (note 4b)	85	96
Arising from the amortisation of development expenses (note 4b)	(110)	(82)
Arising from the (de-)recognition of capital allowances (note 4c)	25	(24)
Deferred tax expense (benefit)	0	(10)

(c) Reconciliation of the effective income tax expense (benefit)

In thousands of euros Unaudited and unreviewed figures	Quarter ended 31 March 2013	Quarter ended 31 March 2012
Profit (loss) before income tax	(798)	(329)
Income tax expense (benefit) using the rate of 33.33%	(266)	(110)
Expense (benefit) attributable to:		
- Effect of differences of tax rates in foreign jurisdictions	46	110
- Effect of the recognition or utilisation of available capital allowances (note 4c)	25	(24)
- Effect of share-based plans	11	11
- Unrecognized tax losses	191	7
Income tax expense (benefit)	7	(6)

(d) Recent and future decreases in the UK corporation tax rate

(i) Applicable accounting rules
In accordance with applicable provisions of IAS 12, Income taxes (IAS 12), any change in corporation tax rates cannot be reflected in a company's consolidated accounts prepared in accordance with IFRSs unless the corporation tax rate changes have been either enacted or substantively enacted on or before the relevant balance sheet date.
In the UK, substantive enactment occurs when the relevant Finance Act has passed through the House of Commons and is awaiting only passage through the House of Lords and Royal Assent, or when a resolution having statutory effect has been passed under the Provisional Collection of Taxes Act 1968.

(ii) Recently enacted decreases of the UK corporation tax rate

- With effect from 1 April 2012
On 26 March 2012, the Chancellor of the Exchequer announced the decrease in the main rate of UK corporation tax from 26.0% to 24.0% with effect from 1 April 2012. This rate of 24.0% has been used for the computation of the tax expense (benefit) arising from the taxable profit (loss) made by the UK subsidiaries of the Company in the quarter ended 31 March 2013.

- With effect from 1 April 2013
In his Budget on 26 March 2012, the Chancellor of the Exchequer also proposed a further 1.0% reduction of the UK corporate tax rate to 23.0% from 1 April 2013.
Royal Assent was given to the Finance Act 2012 on 17 July 2012: as a result, the rate of 23.0% was used when computing the deferred tax assets and liabilities of the UK subsidiaries of the Company as at 31 March 2013.

(iii) Additional projected decrease of the UK corporation tax rate
In his Budget on 20 March 2013, the Chancellor of the Exchequer proposed a further reduction of the UK corporate tax rate to 21.0% from 1 April 2014.
This projected decrease in the UK corporate tax rate was not considered as substantively enacted for the purposes of IAS 12 as at 31 March 2013, and was therefore not considered when computing the deferred tax assets and liabilities of the UK subsidiaries of the Company as at 31 March 2013.
The effect on the Company's tax position of this additional decrease of the UK corporation tax rate will be reflected in the Company's consolidated accounts once the corresponding decrease has been substantively enacted.

(e) Research and development tax credit claim for the year ended 31 December 2012
The corporation tax return which was prepared by the UK subsidiary of the Company for the financial year ended 31 December 2012 resulted in a claim for the repayment of a research and development tax credit amounting to Euro 0.4 million.
As set out in note 4c above, significant judgement was required in determining the amount of that tax credit: as a result, management considered it was not appropriate to recognize this amount as an amount receivable as at 31 December 2012 or 31 March 2013, but to defer its recognition to the point when acceptance of the repayment claim would be notified to the Company's UK subsidiary.
However, since similar claims made by Global Graphics Software Limited in previous years resulted in the repayment to that company of the amounts claimed, management considered it was appropriate to assume that the amount claimed for the year ended 31 December 2012 would be repaid to the Company's UK subsidiary in the course of the current financial year, and included the corresponding, expected cash receipt in the cash flow projections prepared to assess the going concern of the Company over the 21-month period ending on 31 December 2014 referred to in note 2d above.

NOTE 8: EARNINGS PER SHARE

(a) Basic earnings per share

(i) Method used in the computation of basic EPS
Basic earnings per share (EPS) are calculated by dividing profit or loss attributable to the Company's shareholders for a period by the weighted average number of ordinary shares outstanding during that period, after taking into account any free shares the grant of which has become final in the period or any newly issued shares resulting from the exercise of share options, as applicable.

(ii) Computation of the weighted average number of shares to be used
The following table provides for the computation of the weighted average number of ordinary shares to be used for basic EPS computation in the quarters ended 31 March 2012 and 2013, respectively:

Unaudited and unreviewed figures	2013	2012
Ordinary shares outstanding at 1 January (note 12a)	10,289,781	10,289,781
Own shares held by the Company at 1 January (note 13c)	(165,517)	(166,267)
Number of ordinary shares outstanding at 1 January to be used for basic EPS computation	10,124,264	10,123,514
Effect of the final grant of own shares during the quarters ended 31 March (note 13b)	933	0
Effect of the exercise of share options during the quarters ended 31 March (note 12a)	0	0
Weighted average number of ordinary shares to be used for basic EPS computation in the quarters ended 31 March	10,125,197	10,123,514

(b) Diluted earnings per share

(i) Method used in the computation of basic EPS
Diluted earnings per share are calculated by adjusting profit or loss attributable to the Company's shareholders, and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares.
However, potential ordinary shares are treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share: as a result, when the Company reports a net loss for a given period, no adjustment is made for dilutive potential ordinary shares, as management considers this would result in decreasing loss per share.

(ii) Computation of the weighted average number of shares to be used
The following table provides for the computation of the weighted average number of ordinary shares to be used for diluted EPS computation in the quarters ended 31 March 2012 and 2013, respectively:

Unaudited and unreviewed figures	2013	2012
Weighted average number of ordinary shares outstanding in the quarters ended 31 March	10,125,197	10,123,514
Adjustment for dilutive potential ordinary shares	0	0
Weighted average number of ordinary shares to be used for diluted EPS computation in the quarters ended 31 March	10,125,197	10,123,514

NOTE 9: OTHER INTANGIBLE ASSETS

(a) Gross value

In thousands of euros	Quarter ended 31 March 2013 Unaudited & unreviewed figures	Year ended 31 Dec. 2012
Gross value as at 1 January	48,808	46,097
Additions during the period	355	1,636
Effect of changes in exchange rates during the period	(1,422)	1,075
Gross value at end of reporting period	47,741	48,808

(b) Amortisation and impairment

In thousands of euros	Quarter ended 31 March 2013 Unaudited & unreviewed figures	Year ended 31 Dec. 2012
Accumulated amortisation as at 1 January	43,583	40,767
Depreciation expense recognised during the period	460	1,709
Impairment expense recognised during the period	0	163
Effect of change in exchange rates during the period	(1,267)	944
Accumulated amortisation at end of reporting period	42,776	43,583

NOTE 10: GOODWILL

(a) Gross value

In thousands of euros	Quarter ended 31 March 2013 Unaudited & unreviewed figures	Year ended 31 Dec. 2012
Gross value as at 1 January	13,196	12,891
Effect of changes in exchange rates during the period	(384)	305
Gross value at end of reporting period	12,812	13,196

(b) Amortisation and impairment

In thousands of euros	Quarter ended 31 March 2013 Unaudited & unreviewed figures	Year ended 31 Dec. 2012
Accumulated amortisation as at 1 January	6,212	6,069
Impairment expense recognised during the period	0	0
Effect of changes in exchange rates during the period	(180)	143
Accumulated amortisation at end of reporting period	6,032	6,212

NOTE 11: TRADE RECEIVABLES

(a) Gross and net amounts

In thousands of euros	31 March 2013 Unaudited & unreviewed figures	31 December 2012
Gross amount (note 11b)	1,679	2,126
Allowance for doubtful accounts (note 11b)	(131)	(142)
Net amount	1,548	1,984

(b) Aging of trade receivables

In thousands of euros	31 March 2013		31 December 2012	
	Gross amount Unaudited, unreviewed figures	Allowance Unaudited, unreviewed figures	Gross amount	Allowance
Items which are not past due	1,044	0	1,685	0
Items which are past due:				
- 0 to 30 days	230	0	154	0
- 30 to 60 days	78	0	67	0
- 60 to 90 days	142	0	63	10
- more than 90 days	185	131	157	132
Total	1,679	131	2,126	142

NOTE 12: SHARE CAPITAL AND SHARE PREMIUM

(a) Share capital

The number of outstanding, fully paid, ordinary shares of the Company, each of par value of Euro 0.40, was 10,289,781 as at both 31 December 2012 and 31 March 2013, resulting in a share capital amounting to 4,116 at both these dates.

(b) Share premium

(i) Expenses relating to the Company’s share-based remuneration plans

No amount was incurred in relation with the Company’s share-based remuneration plans in the quarter ended 31 March 2013, while an amount of 5 was offset against the share premium for the same reason in the quarter ended 31 March 2012.

(ii) Expenses relating to grants of own shares

4,000 own shares held by the Company as treasury shares were granted to Mr. Alain Pronost in the quarter ended 31 March 2013 (see note 4d above).

The difference between the repurchase value of these 4,000 shares (amounting to 29) and their value at grant date to the employee (being nil for a grant of free shares) was offset against the share premium in the quarter ended 31 March 2013.

NOTE 13: OWN SHARES

(a) Repurchase of own shares

None of its own shares were repurchased by the Company in either of the quarters ended 31 March 2012 or 2013.

(b) Grants of own shares
4,000 own shares held by the Company as treasury shares were granted to Mr. Alain Pronost in the quarter ended 31 March 2013.

(c) Number of own shares held at 31 March 2013
The total number of own shares held as treasury shares by the Company was 161,517 at 31 March 2013 compared with 165,517 at 31 December 2012, for respective repurchase values of 1,157 and 1,186.

NOTE 14: SEGMENT REPORTING

(a) Identification of operating and reportable segments

(i) Applicable rules
Management has identified operating segments give rise to reporting pursuant its review of those segments giving rise to reporting to the Company’s CEO, who decides upon the best allocation of resources and monitors the operating and financial performance of each operating segment.
Two segments were identified, the Print segment for the printing software segment of the Company’s business, and the eDoc segment for the electronic document software segment of the Company’s business.
The performance of each of these segments is monitored by the Company’s CEO based on their respective gross margin contribution.

(ii) Allocation of assets and liabilities to operating segments
Assets and liabilities, whether current or non-current, are allocated based on the operations of the reportable segments.
Goodwill has been fully allocated to the Print segment as it relates to acquisitions of assets made in the area of printing software in the years ended 31 December 1999 and 2000.
Items such as deferred tax assets, current assets other than trade receivables, as well as current liabilities other than customer advances and deferred revenue, are not allocated to any of the Company’s reportable segments.
Whenever appropriate, management may restate prior year’s comparative information to conform to the current year’s presentation of operating segment information, notably sales and asset breakdown.

(b) Analysis of the Company’s sales

(i) Breakdown of sales by nature of products sold and services rendered
Both segments derive their revenue from the development and sale of software applications and/or solutions, and of related services such as customization, implementation, training, as well as support and maintenance.
The following table provides a breakdown of the Company’s sales by nature of products sold and services rendered for those sales made in the quarters ended 31 March 2012 and 2013, respectively:

In thousands of euros Unaudited and unreviewed figures	Quarter ended 31 March 2013	Quarter ended 31 March 2012
License royalties	1,597	1,776
Maintenance & support services	264	272
Engineering services	19	0
Total sales for the period	1,880	2,048

(ii) Breakdown of sales based on the geographical location of customers

In thousands of euros Unaudited and unreviewed figures	Quarter ended 31 March 2013	Quarter ended 31 March 2012
France	1	5
Europe (excluding France)	79	335
North America (USA and Canada)	1,100	1,534
Asia (including Japan)	700	131
Rest of the world	0	43
Total sales for the period	1,880	2,048

(c) Sales and gross profit by business segment

(i) Quarter ended 31 March 2013

In thousands of euros Unaudited and unreviewed figures	Print segment	eDoc segment	Unallocated items	Total
Total segment sales	1,257	623	0	1,880
Inter-segment sales	0	0	0	0
Sales from external customers	1,257	623	0	1,880
Cost of sales	(52)	(17)	(13)	(82)
Gross profit (loss)	1,205	606	(13)	1,798

(ii) Quarter ended 31 March 2012

In thousands of euros Unaudited and unreviewed figures	Print segment	eDoc segment	Unallocated items	Total
Total segment sales	1,840	208	0	2,048
Inter-segment sales	0	0	0	0
Sales from external customers	1,840	208	0	2,048
Cost of sales	(58)	(12)	(13)	(83)
Gross profit (loss)	1,782	196	(13)	1,965

(d) Reconciliation of gross profit to profit (loss) before income tax

In thousands of euros Unaudited and unreviewed figures	Quarter ended 31 March 2013	Quarter ended 31 March 2012
Gross profit for reportable segments (note 14c)	1,798	1,965
Selling, gen. & admin. expenses	(1,001)	1,097
Research & development expenses	(1,293)	1,179
Net other operating income (expenses)	(302)	0
Net financing gains (losses) (note 6)	0	0
Profit (loss) before income tax	(798)	(311)

(e) Reconciliation of assets and liabilities

(i) As at 31 March 2013

In thousands of euros Unaudited and unreviewed figures	Print segment	eDoc segment	Unallocated items	Total
Non-current assets	10,198	1,547	566	12,311
Current assets	1,054	456	2,796	4,306
Total assets	11,252	2,003	3,362	16,617
Non-current liabilities	0	0	2	2
Current liabilities	715	43	1,191	1,949
Total liabilities	715	43	1,193	1,951

(ii) As at 31 December 2012

In thousands of euros	Print segment	eDoc segment	Unallocated items	Total
Non-current assets	10,566	1,642	524	12,732
Current assets	1,396	588	2,879	4,863
Total assets	11,962	2,230	3,403	17,595
Non-current liabilities	0	0	2	2
Current liabilities	587	67	1,111	1,765
Total liabilities	587	67	1,113	1,767

NOTE 15: RELATED PARTY TRANSACTIONS

The Company has a related party relationship with its subsidiaries (see note 16 below) as well as with its directors and executive officers, as set out below.

(a) With the Company’s directors

The amount of board fees to be allocated among the Company’s directors which was recognized in the quarter ended 31 March 2013 was 10, while it was 15 in the first quarter of the financial year ended 31 December 2012.

(b) With the Company’s executive officers

(i) Salaries and other short-term benefits

The executive directors received the following salaries and other short-term benefits (notably bonuses and pension scheme contributions) in the quarters ended 31 March 2012 and 2013, respectively:

In thousands of euros Unaudited and unreviewed figures	Quarter ended 31 March 2013	Quarter ended 31 March 2012
Salaries	80	78
Other short-term benefits	56	95
Total	136	173

(ii) Share-based compensation plans

Executive officers are entitled to participate in the Company’s share option and share grant schemes.

The portions of the share-based compensation expenses which were attributable to the Company's executive officers and were recorded in the quarters ended 31 March 2012 and 2013, respectively, were as follows:

In thousands of euros Unaudited and unreviewed figures	Quarter ended 31 March 2013	Quarter ended 31 March 2012
Relating to share option grants	12	10
Relating to share grants	4	4
Total	16	14

(c) With a company which is managed by one of the Company's directors
In its meeting on 16 December 2009, approval was given by the Company's Board of Directors to two agreements with Andlinger & Co. CVBA, a Belgium-based company which is managed by Mr. Johan Volckaerts.
The purpose of these agreements was to provide that the Company would be:
- entitled to use a meeting room and related services in Brussels, against the payment of a fee amounting to Euro 1,500 each quarter; and
- provided with advice regarding its strategy, against the payment of a fee amounting to Euro 6,000 per month, which was increased to Euro 6,500 per month from 1 February 2011 as voted by the Board on 8 February 2011, and decreased to Euro 4,500 per month from 1 October 2011 as voted by the Board on 2 November 2011.
The corresponding amounts which were expensed by the Company were 15 in each of the quarters ended 31 March 2012 and 2013.

NOTE 16: SUBSIDIARIES
These condensed consolidated financial statements include the accounts of the following companies:

	Country of incorporation	% of control 2013	% of control 2012
Global Graphics (UK) Limited	United Kingdom	100	100
Global Graphics Software Limited	United Kingdom	100	100
Jaws Systems Limited	United Kingdom	100	100
Global Graphics Software Incorporated	United States	100	100
Global Graphics Kabushiki Kaisha	Japan	100	100
Global Graphics Software (India) Private Limited	India	100	100
Global Graphics EBT Limited	United Kingdom	100	100

Global Graphics Software (India) Private Limited has been dormant since April 2010 and is currently under liquidation, the completion of which is expected shortly.

GLOBAL GRAPHICS SA AND SUBSIDIARIES
ADJUSTED FINANCIAL INFORMATION PREPARED BY MANAGEMENT

NOTE 1: BASIS OF PREPARATION OF ADJUSTED FINANCIAL INFORMATION

The Company's consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRSs) and related interpretations issued by the International Accounting Standards Board (IASB), as adopted by the European Union.

However, management of the Company it believes that evaluating the Company's ongoing results may not be as useful if an investor is limited to reviewing only IFRS financial measures, notably because management of the Company uses adjusted financial information to evaluate its ongoing operations as well as for internal planning and forecasting purposes.

To prepare adjusted financial information, management of the Company complies with the principles set in the Recommendation on Alternative Performance Measures which was issued by the Committee of European Securities Regulators (now the European Securities and Markets Authority) in October 2005.

The Company's management does not itself, nor does it suggest that investors should, consider such adjusted financial measures in isolation from, or as a substitute for, financial information prepared in accordance with IFRSs.

The Company presents adjusted financial measures to provide investors with an additional tool to evaluate the Company's results in a manner that focuses on what the Company believes to be its ongoing business operations.

The Company's management believes that the inclusion of adjusted financial measures provides consistency and comparability with past reports of financial information and has historically provided comparability to similar companies in the Company's industry, many of which present the same or similar adjusted financial measures to investors.

As a result, investors are encouraged to review the related IFRS financial measures and the reconciliation of these adjusted financial measures to the most directly comparable IFRS financial measures.

NOTE 2: INFORMATION ON ADJUSTMENTS MADE TO REPORTED NUMBERS

The purpose of the following adjustments, which are made to reported numbers with respect of the Company's operating and net profit (loss), is to provide additional information to measure the Company's financial performance.

(a) Share-based remuneration expense

In accordance with applicable provisions of IFRS 2, Share-based payments, an expense is recognized in the Company's consolidated financial statements with respect of share-based remuneration plans, regardless of any change in the number of outstanding shares of the Company pursuant to the exercise of share options, or before the grant of shares to employees of the Company becomes final.

As a result, management of the Company believes it is appropriate to adjust the Company's profit or loss reported under IFRSs of such expense to provide a relevant measure of the Company's financial performance.

(b) Capitalization and amortization of eligible software development expenses

Costs relating to development projects which meet all of the criteria set out under paragraphs 57 to 62 of IAS 38, Intangible Assets, are capitalized, and are subsequently amortized over the estimated useful life of the corresponding development project.

Considering the level of judgment required to assess whether a development project may be eligible to such capitalization, and also to set the duration of the useful life of such project, management of the Company believes it is appropriate to adjust the Company's profit or loss reported under IFRSs of such amounts to provide a relevant measure of the Company's financial performance.

(c) Unusual, abnormal and infrequent items of income and expense
In accordance with provisions of Paragraph 97 of IAS 1 (revised), Presentation of Financial Statements, unusual, abnormal and infrequent items of income and expense have to be disclosed in a separate note, in an attempt to improve the predictive value of the consolidated statement of income.
Management of the Company believes that the most appropriate way of achieving this is, in addition to separate disclosure on the face of the consolidated statement of income under the Other operating expenses and/or Other operating income captions, and the detailed analysis of corresponding amounts in a separate note, to adjust the Company's profit or loss reported under IFRSs of such items to provide the user of the Company's financial information with a consistent base of comparison, excluding the effect of such items.

NOTE 3: ADJUSTED FINANCIAL INFORMATION COMPUTATION

(a) Adjusted operating profit (loss) computation

In thousands of euros Unaudited and unreviewed figures	Quarter ended 31 March 2013	Quarter ended 31 March 2012
Reported operating profit (loss)	(798)	(311)
Add back (deduct):		
- Effect of the capitalization of development expenses (note 4b)	(355)	(369)
- Amortisation and impairment of capitalized development expenses (note 4b)	458	314
- Share-based remuneration expenses (note 4d)	33	33
- Net effect of other operating (income) expenses (note 5)	302	0
Total adjustments to reported operating profit (loss)	438	(22)
Adjusted operating profit (loss)	(360)	(333)
In % of the period's sales	-19.1%	-16.3%

(b) Adjusted net profit (loss) computation

In thousands of euros, except per share data in euro Unaudited and unreviewed figures	Quarter ended 31 March 2013	Quarter ended 31 March 2012
Reported net profit (loss)	(805)	(323)
Add back (deduct):		
- Effect of the capitalization of development expenses, after amortisation and impairment (note 4b)	103	(55)
- Share-based remuneration expenses (note 4d)	33	33
- Net effect of other operating (income) expenses (note 5)	302	0
- Tax effect of abovementioned adjustments	0	14
Total adjustments to reported net profit (loss)	438	(8)
Adjusted net profit (loss)	(367)	(331)
Adjusted net EPS	(0.04)	(0.03)

Adjusted net EPS is computed by dividing the adjusted net profit (loss) for a given reporting period by the weighted average number of ordinary shares which were outstanding during that period used for basic EPS computation (see note 8a), i.e. 10,123,514 and 10,125,197 shares for the quarters ended 31 March 2012 and 2013, respectively.

GLOBAL GRAPHICS SA AND SUBSIDIARIES
INTERIM MANAGEMENT REPORT OF THE COMPANY’S BOARD OF DIRECTORS
FOR THE QUARTER ENDED 31 MARCH 2013
Translation of the French language original

Pursuant to the transposition under article L.451-1-2 of the French Monetary and Financial Code of the EU Directive 2004/109/CE of the European Parliament and of the Council of 15 December 2004 (the Transparency Directive), we present to you the interim management report of the Company’s Board of Directors for the quarter ended 31 March 2013.
This interim management report was authorized for issue by the Company’s Board of Directors on 25 April 2013.

NOTE 1: ORGANIZATION OF THE GLOBAL GRAPHICS GROUP OF COMPANIES (THE COMPANY)

(a) Structure of the Company as at 31 March 2013

(i) Changes during the period under reporting
No change has occurred in the Company’s structure during the quarter ended 31 March 2013.
Please refer to note 16 to the Company’s condensed consolidated interim financial statements as at and for the quarter ended 31 March 2013 for further information on the Company’s structure as at 31 March 2013.

(ii) Liquidation of Global Graphics Software (India) Private Limited
Global Graphics Software (India) Private Limited, which has been dormant since late April 2010, is under liquidation since early May 2010; the completion of the liquidation process, which is dependent only on a formal decision from the Indian judiciary authorities, is expected shortly.

(b) Changes in the Company’s structure since 1 April 2013
On the date this report was drafted, no change had occurred in the Company’s structure since 1 April 2013.
Please note however that the liquidation process of Jaws Systems Limited, which has been dormant since early 2001, was initiated in April 2013.

NOTE 2: MANAGEMENT DISCUSSION OF CONSOLIDATED FINANCIAL RESULTS
The Company prepares the condensed consolidated financial statements which are included in its quarterly earnings releases in accordance with IAS 34, Interim Financial Reporting, and more generally with International Financial Reporting Standards (IFRSs) as well as related interpretations issued by the International Accounting Standards Board (IASB), as adopted by the European Union (EU).
Amounts indicated hereafter are presented in euros (the reporting currency of the Company), rounded to the nearest thousand, unless otherwise specified.

(a) Sales analysis

(i) Comparison with the same period of the previous year at current rates
Sales were 1,880 in the quarter ended 31 December 2012, compared with 2,048 in the first quarter of the financial year ended 31 December 2012, or a decrease of 8.2% at current exchange rates.

(ii) Effect of changes in exchange rates on reported sales

Approximately 62.4% of the Company's sales made in the quarter ended 31 March 2013 were denominated in US dollars, which slightly decreased versus the euro during that period, since the average euro/US dollar rate was 1.317 in the quarter ended 31 March 2013, while it was 1.310 in the first quarter of the financial year ended 31 December 2012, or a decrease of 0.5%.

At constant exchange rates, sales made in the quarter ended 31 March 2013 would have amounted to approximately 1,998, showing a decrease of 2.4% over the figure reported for sales in the first quarter of the financial year ended 31 December 2012.

(iii) Breakdown of sales by segment of the Company's business

Sales made in the Print segment of the Company's business were 1,257 in the quarter ended 31 March 2013, and showed a decrease of 31.7% at current exchange rates over the 1,840 figure reported for sales made in the same segment of the Company's business in the first quarter of the financial year ended 31 December 2012.

Sales made in the eDoc segment of the Company's business were 623 in the quarter ended 31 March 2013, and showed an increase of 199.5% at current exchange rates over the 208 figure reported for sales made in the same segment of the Company's business in the first quarter of the financial year ended 31 December 2012.

(b) Operating loss

The Company reported an operating loss of 798 in the quarter ended 31 March 2013 (or -42.4% of the quarter's sales), compared with an operating loss of 311 in the first quarter of the financial year ended 31 December 2012 (or -15.2% of that quarter's sales), or an unfavorable variance of 487, which can be analyzed as follows:

- sales decreased by 168, as set out in note 2a (i) above;
- cost of sales was 82 in the quarter ended 31 March 2013 (4.4% of the quarter's sales), compared with 83 in the first quarter of the financial year ended 31 December 2012 (4.1% of that quarter's sales), or a favorable variance of 1;
- selling, general and administrative expenses totaled 1,001 in the quarter ended 31 March 2013 (53.2% of the quarter's sales), showing a decrease of 96 (i.e. of 8.8%) over the 1,097 figure reported for such expenses in the first quarter of the financial year ended 31 December 2012 (53.6% of that quarter's sales);
- research & development expenses totaled 1,293 in the quarter ended 31 March 2013 (68.8% of the quarter's sales) showing an increase of 114 (i.e. of 9.7%) over the 1,179 figure reported for such expenses in the first quarter of the financial year ended 31 December 2012 (57.6% of that quarter's sales).

Research & development expenses reported for the quarter ended 31 March 2013 included an expense of 103 with respect of the effect, after amortization, of the capitalization of eligible development expenses relating to the development projects for which all criteria for such capitalization were met as at 31 March 2013, compared with a corresponding benefit of 55 in the first quarter of the financial year ended 31 December 2012 (please refer to note 4b to the Company's condensed consolidated interim financial statements as at and for the quarter ended 31 March 2013 for further information this);

- the amount of 302 reported under the caption Other operating expenses in the quarter ended 31 March 2013 relates to the expenses incurred during the quarter with respect of the projected legal reorganization which was announced on 15 April 2013 (no such expenses were incurred in the quarter ended 31 March 2012), or an unfavorable variance of 302;
- there was no other operating income in either of the quarters ended 31 March 2013 or 2012.

(c) Loss before income tax
The Company reported a loss before income tax of 798 in the quarter ended 31 March 2013 (or -42.4% of the quarter's sales), compared with a loss before income tax of 329 in the first quarter of the financial year ended 31 December 2012 (or -16.1% of that quarter's sales), or an unfavorable variance of 469 which resulted from the combination of:
- the increase in the Company's operating loss for 487, as discussed in note 2b above;
- no interest income was reported in the quarter ended 31 March 2013, compared with 1 in the first quarter of the financial year ended 31 December 2012, or an unfavorable variance of 1; and
- no foreign currency exchange differences were reported in the quarter ended 31 March 2013, compared with losses of 19 in the first quarter of the financial year ended 31 December 2012, or a favorable variance of 19.

(d) Net loss
The Company reported a net loss of 805 in the quarter ended 31 March 2013 (or a net loss of Euro 0.08 per share) after giving effect to an income tax expense of 7 (including a current income tax expense of 7 and a deferred tax expense of nil), compared with a net loss of 323 in the first quarter of the financial year ended 31 December 2012 (or a net loss of Euro 0.03 per share).

(e) Cash flows for the quarter ended 31 March 2013
Cash flows provided by the Company's operations amounted to 311 in the quarter ended 31 March 2013 (or 16.5% of the quarter's sales), compared with cash flows used by the Company's operations amounting to 577 in the first quarter of the financial year ended 31 December 2012 (or 28.2% of that quarter's sales).
Cash balances available at 1 January 2013 (which amounted to 2,252) allowed the Company to fund its operating requirements as well as its capital expenditures during the quarter ended 31 March 2013, either on property, plant and equipment for 111, or those resulting from the capitalization of development expenses for 355, and to close the quarter with a net cash position of 2,076.

NOTE 3: ADJUSTED FINANCIAL PERFORMANCE

(a) Adjusted operating loss (EBITA)
The Company reported an adjusted operating loss of 360 in the quarter ended 31 December 2012 (or -19.1% of the quarter's sales), compared with an adjusted operating loss of 333 in the first quarter of the financial year ended 31 December 2012 (or -16.3% of that quarter's sales).

(b) Adjusted net loss
The Company reported an adjusted net loss of 367 (or an adjusted net loss of Euro 0.04 per share) in the quarter ended 31 March 2013, compared with an adjusted net loss of 331 (or an adjusted net loss of Euro 0.03 per share) in the first quarter of the financial year ended 31 December 2012.

NOTE 4: SIGNIFICANT OPERATIONAL AND FINANCIAL RISK FACTORS

(a) Significant operational risk factors
Please refer to note 2d to the report on the Company's operations for the financial year ended 31 December 2012, which was drafted by the Company's Board of Directors and was included in the Company's annual financial report for that year, for a discussion on these risk factors.

(b) Significant financial risk factors

The Company's activities expose it to a variety of financial risks, notably foreign exchange risk, credit risk, liquidity risk and cash flow interest-rate risk, as discussed below.

(i) Foreign exchange risk

The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar and the British pound.

Foreign exchange risk arises from future commercial transactions, recognized assets (notably cash and trade receivables) and liabilities, as well as net investments in foreign operations.

- Risk arising from future commercial transactions and balance sheet items

To manage their foreign exchange risk arising from future commercial transactions, recognized assets and liabilities (i.e. which are denominated in a currency that is not the entity's functional currency), certain entities in the Company use foreign currency option contracts transacted with high-credit-quality financial institutions after review and approval by the Company's Chief Financial Officer.

These contracts gave the Company the right, but not the obligation, to convert at respective maturity dates of these contracts an amount of US dollars into euros at a maximum rate (the 'strike price') assuming that, during the life of the corresponding contract, the exchange rate between the $ and the euro or the British pound, as applicable, was always higher than a minimum rate (the trigger rate). Should this trigger rate occur, the Company would be obliged to convert an amount of $ at the strike price at respective maturity dates of these contracts.

The Company had no such contracts which were outstanding as at 31 December 2012 and did not enter into such contracts during the quarter ended 31 March 2013: accordingly, it did not record any exchange gain or loss with respect of these contracts in the quarter ended 31 March 2013, compared with an exchange loss of 1 in the first quarter of the financial year ended 31 December 2012.

- Risk arising from net investments in foreign subsidiaries

The Company has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk.

Currency exposure arising from the net assets of the Company's foreign operations in the UK and in the US is managed primarily through borrowings denominated in the relevant foreign currencies, where appropriate.

(ii) Credit risk

Financial instruments that potentially subject the Company to credit risk consist primarily of trade receivables.

As it markets and sells its products and services to a broad base of customers including OEM partners, distributors, and system integrators, the Company has no significant concentration of credit risk though relatively few customers accounted for a substantial portion of the Company's sales within the last few years as a result of the dominance of a limited number of significant players in the Company's markets.

The ten major customers represented approximately 69.1% of the Company's sales in the quarter ended 31 March 2013 (compared with 64.3% in the quarter ended 31 March 2012, and with 68.5% in the year ended 31 December 2012); approximately 55.8% of sales were made with the five largest customers of the Company in the quarter ended 31 March 2013 (compared with 43.6% in the quarter ended 31 March 2012, and with 55.4% in the year ended 31 December 2012), and approximately 27.6% with the major customer alone in the quarter ended 31 March 2013 (compared with 13.9% in the quarter ended 31 March 2012, and with 22.0% in the year ended 31 December 2012).

(iii) Liquidity risk
Due to the dynamic nature of its business, the Company aims to maintain flexibility for financing its activities by keeping committed credit lines available.
However, considering the Company’s cash position of 2,076 as at 31 March 2013, and the absence of any financial debt at such date, the Company did not apply for any lines of credit in the quarter ended 31 March 2013.

(iv) Cash-flow interest-rate risk
As the Company had no significant interest-bearing assets and liabilities at 31 March 2013 and 31 December 2012, the Company’s income and operating cash flows for the quarter ended 31 March 2013 were substantially independent of changes in market interest rates.
Please refer to note 6 to the Company’s condensed consolidated interim financial statements for the quarter ended 31 March 2013 for further information on interest income and expenses recognized during that period.

(v) Sovereign debt risk
The Company did not have any exposure to sovereign debt risk as at and during the quarter ended 31 March 2013 as it did hold any financial assets of that nature during that quarter.

(c) Other significant risk factors

(i) Use of accounting estimates and of forecasts
The preparation of financial statements in accordance with IFRSs requires the use of certain critical accounting estimates and forecasts. It also requires management to exercise judgement in the process of applying the Company’s accounting policies, and to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses.
The estimates and underlying assumptions are based on historical experience and various other relevant factors (including projected future sales and related cash inflows from both established software products such as RIP software in the Print segment of the Company’s business, or recently launched applications, the adoption of which is expected by the Company’s management to sequentially grow at a significant pace over time) that are believed to be reasonable under the circumstances, the results of which form the basis of making management’s judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.
The estimates and underlying assumptions are reviewed on an ongoing basis.
Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period and future periods if the revision affects both current and future periods.
Please refer to notes 4a (ii) and 4c (ii) to the Company’s condensed consolidated interim financial statements for the quarter ended 31 March 2013 for further information on critical accounting estimates and the use of sales and cash flow forecasts, as well as the risks attached to them, the downward revisions of which may principally affect the carrying value of goodwill and other intangible assets as well as of deferred tax assets.

(ii) Future changes in, or interpretations of, accounting principles
As noted in note 2a to the Company’s consolidated interim financial statements for the quarter ended 31 March 2013, the Company prepares its consolidated financial statements in accordance with IFRSs, as amended from time to time, and related interpretations issued by the IASB, as adopted by the EU.

Accordingly, changes to IFRSs by the IASB or delays in the adoption of standards and/or related interpretations by the EU, may have a significant effect on the Company's reported results and may even retroactively affect previously reported transactions or periods.

Accounting principles used by the Company that may be affected by recently issued exposure drafts notably include those relating to revenue recognition, as set out below.

The exposure draft, Revenue from Contracts with Customers, which was published for public comment by the IASB and the Financial Accounting Standard Board (FASB) on 24 June 2010, outlined the IASB's intent to publish a final standard on revenue recognition no later than June 2011 to supersede the existing two standards on revenue recognition: IAS 11, Construction Contracts, and IAS 18, Revenue, as well as related interpretations.

On 14 November 2011, the IASB and the FASB issued for public comment a second exposure draft to improve and converge the financial reporting requirements of IFRSs and US GAAP for revenue (and some related costs) from contracts with customers; both standards-setters now expect to issue a final standard on revenue recognition in the first half of 2013, with an effective date expected to be 1 January 2015 at the earliest, or, more probably, 1 January 2016.

NOTE 5: RELATED PARTY TRANSACTIONS

Please refer to note 15 to the Company's condensed consolidated interim financial statements for the quarter ended 31 March 2013 for further information on such transactions.

NOTE 6: INFORMATION ON THE COMPANY'S PERSONEL

(a) Breakdown by geographical area of employment

	31 March 2013	31 December 2012
United Kingdom	65	64
United States of America	9	9
Japan	3	3
Continental Europe	2	2
Total	79	78

(b) Breakdown by nature of employment

	31 March 2013	31 December 2012
Research and development	46	45
Sales and support	21	21
General & administrative	12	12
Total	79	78

As at 31 March 2013, the Company also employed 2 full-time contractors, all of whom were software developers.

NOTE 7: VOTING RIGHTS AND SIGNIFICANT SHAREHOLDERS

(a) Voting rights attached to shares outstanding as at 31 March 2013

(i) Theoretical number of voting rights

Number of shares to which a single voting right is attached	10,281,062
Number of shares to which a double voting right is attached	8,719
Theoretical number of voting rights attached to the Company's ordinary shares which were outstanding at 31 March 2013	10,298,500

(ii) Number of voting rights to be used for annual meeting quorum computation

Theoretical number of voting rights computed as indicated above	10,298,500
Number of voting rights attached to own shares held by the Company	(161,517)
Total number of voting rights to be used for shareholders' meeting quorum computation as at 31 March 2013	10,136,983

(b) Significant shareholders as at 31 March 2013

(i) Stichting Andlinger & Co. Euro-Foundation
As at 31 March 2013 and 31 December 2012, Stichting Andlinger & Co. Euro-Foundation held 2,883,001 shares of the Company, or approximately 28.02% of the total number of shares of the Company which were outstanding at such dates. Attached to these 2,883,001 shares were a total of 2,883,021 voting rights, representing approximately 27.99% of the total number of voting rights attached to the Company's ordinary shares which were outstanding as at 31 March 2013.

(ii) Other significant shareholders
As at 31 March 2013, no other shareholder was known to the Company to hold in excess of either 5.0% of the total number of shares forming the share capital of the Company, or 5.0% of the theoretical number of voting rights attached to such shares as computed in note 7a above.

NOTE 8: INFORMATION REGARDING GLOBAL GRAPHICS SA
Because Global Graphics SA (the Parent) has only one employee and also because all of its revenue results from the recharge of corporate management fees to the Company's operating entities which are based in the UK and in the US, the Parent's statutory results for the quarter ended 31 March 2013 are not provided since they were not considered as meaningful in the context of the reporting of the Company's condensed consolidated interim results as at and for the quarter ended 31 March 2013.

GLOBAL GRAPHICS SA AND SUBSIDIARIES
STATEMENT MADE BY THE PERSON TAKING RESPONSIBILITY FOR THE INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2013
Translation of the French language original

I hereby confirm that, to the best of my knowledge, the condensed consolidated interim accounts included in the Company's interim financial report for the quarter ended 31 March 2013 have been prepared in accordance with IAS 34, Interim Financial Reporting, and more generally with International Financial Reporting Standards (IFRSs) and related interpretations issued by the International Accounting Standards Board, as adopted by the European Union, and give a true and fair view of the assets, liabilities, financial position, and profit or loss of Global Graphics SA and its subsidiaries as at and for the quarter ended 31 March 2013.

I also hereby confirm that the attached interim management report includes a fair review of the information referred to in article 222-6 of the Règlement général de l'Autorité des marchés financiers, and notably of the material events that occurred in the quarter ended 31 March 2013 and their impact on the condensed consolidated interim accounts for the same period, the main risks and uncertainties faced by the Company for the remaining nine months of the financial year ending 31 December 2013, and the main transactions with related parties which occurred during the quarter ended 31 March 2013.

Cambourne (United Kingdom) on 25 April 2013,

Gary Fry
Chief Executive Officer