

## First Quarter 2014 Revenue Release

May 7, 2014 - SYSTRAN today announced its consolidated financial results for the first quarter ended March 31, 2014.

Consolidated Data (in thousands of Euros)	2014	In % of total	2013	In % of total	Annual change 2014/2013
Software Publishing	1,095	54.1 %	1,025	45.7 %	+6.8 %
Professional Services	930	45.9 %	1,219	54.3 %	- 23.7 %
<b>Consolidated Sales</b>	<b>2,025</b>	<b>100.0 %</b>	<b>2,244</b>	<b>100.0 %</b>	<b>-9.7 %</b>

### 🔄 First quarter 2014 activities

During the first quarter, SYSTRAN sales amounted to 2,025 K€ as compared with 2,244 K€ for the first quarter of 2013, a 9.7 % decrease.

License sales amounted to 1,095 K€ as compared with 1,025 K€ for the first quarter 2013 and represent 54.1 % of total sales. Sales for the **Professional Services** business unit amounted to 930 K€ as compared with 1,219 K€ for the first quarter 2013.

### 🔄 2014 Outlook

In 2014 SYSTRAN plans to expand the sales team to develop revenue in all business segments. SYSTRAN will also launch new cloud services to complement its line of products and services for corporate customers.

## Tender offer project by CSLI

On April 25, 2014, SYSTRAN and CSLI confirmed that in accordance with the announcement made on April 2, CSLI had completed the acquisition of all of the shares held in SYSTRAN by Dimitris Sabatakakis<sup>1</sup>, Guillaume Naigeon<sup>2</sup>, Denis Gachot, Jean Senellart, Charles-Eric Boscals de Réals<sup>3</sup>, together with Valfinance and SOPI, representing approximately 38.04%<sup>4</sup> of SYSTRAN's share capital, at the price of €5 per share and for a total purchase price of approximately €15.7 million.

As announced, and in accordance with the regulations of the French *Autorité des marchés financiers* (AMF), in the following weeks CSLI will file a tender offer for all of the remaining shares at the price of the block trade, namely €5 per share. The bidder will reserve the right to undertake a squeeze out (*retrait obligatoire*) if the minority shareholders do not represent more than 5% of the shares or voting rights of SYSTRAN following the completion of the tender offer.

Shareholders are reminded that the tender offer will be subject to the control of the AMF and that Sorgem Evaluation has been appointed as independent expert, for the purpose of delivering a fairness opinion which will be included in SYSTRAN's response document to the tender offer.

## Dispute with the European Commission

SYSTRAN has lodged a new action against the European Commission in front of the Luxembourg Court. An assignment has been delivered to the European Commission on June 19, 2013. In this case Nr 157000, the European Commission delivered its memorandum on February 18, 2014. On March 20, 2014 the District Court of Luxembourg (Eighth Chamber) informed SYSTRAN that it has to deliver its memorandum in response on June 20, 2014 latest.

On the other hand, the European Commission has claimed for compensatory interests, based on 12,001,000 Euros which have been reimbursed to the Commission. SYSTRAN has recorded a provision to cover the risk of paying these interests. But SYSTRAN has disputed this claim for compensatory interests and has lodged an action for annulment in front of the General Court of the European Union. In this case T-481/13-14, the European Commission delivered its response on November 28, 2013. SYSTRAN delivered its reply on January, 21 2014. On January 22, 2014 the Court informed SYSTRAN that the European Commission has to provide its memorandum in response on March 6, 2014. On March 14, 2014 SYSTRAN has been informed by the General Court that the European Commission didn't provide any response and therefore the written procedure was closed. The next step will be communicated by the General Court later on.

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<sup>1</sup> Via a holding company held by Dimitris Sabatakakis, Chief Executive Officer and President of the Board of Directors of SYSTRAN, and to which he has contributed his SYSTRAN shares.

<sup>2</sup> Directly and via a holding company held by Guillaume Naigeon, member of the Board of Directors of SYSTRAN, and to which he has contributed some of his SYSTRAN shares.

<sup>3</sup> Denis Gachot, Jean Senellart and Charles-Eric Boscals de Réals are members of the Board of Directors of SYSTRAN.

<sup>4</sup> I.e. 3,144,844 shares out of a total of 8,267,628 shares, taking into account the 300,000 shares created as a result of the exercise of the vendors' stock-options and transferred today to CSLI.

## About SYSTRAN

SYSTRAN is the market historic 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 intercompany collaboration, and eCommerce.

With the ability to facilitate communication in 60 language combinations and in 20 vertical domains, SYSTRAN's software is the choice of leading global corporations, portals and public agencies.

SYSTRAN has been pioneering advances in machine translation for over 45 years. Its latest achievement, SYSTRAN Hybrid MT, combines the predictability and language consistency of rulebased 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)

## About CSLI

CSLI is a leading provider of language translation software and services. CSLI has a dominant market position in the Korean translation market and it offers translation solutions and services, including document translation and automatic web translation to various corporations, government agencies and individuals.

CSLI's proven technology and accumulated language resources allow the company to better serve its customers. Specifically, CSLI's high-quality translation engines offer a real-time, bidirectional translation for many languages including Korean, Japanese, Chinese and English.

CSLI is dedicated to developing various language translation solutions to make the world more connected and it plans to further expand its market presence in the global language translation market.

CSLI is headquartered in Seoul, Republic of Korea with presence in USA, China, France, etc.

For more information, please visit [www.csli.co.kr](http://www.csli.co.kr)

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Results for the first semester 2014 ending on June 30, 2014 will be announced on August 1<sup>st</sup>, 2014.

This Press Release is available for download at:

<http://www.systransoft.com/systran/investors/press-releases>