

**Leading Provider of Language Translation Technologies**

## First Quarter 2005 Revenue Release

- Sales of 2,376 K€: - 16.7% compared with the same reporting period in 2004
- Software sales : +26.8% compared with the same quarter last year

April 28<sup>th</sup>, 2005 - SYSTRAN, the leading provider of language translation technologies, today announced its consolidated financial results for the first quarter ended March 31, 2005.

In K€	2005	<i>In</i> % <i>Of total</i>	2004	<i>In</i> % <i>of total</i>	<i>Annual change</i> 2005 / 2004
Software Publishing	1,843	77.6%	1,453	50.9%	+ 26.8%
Professional Services	533	22.4%	1,400	49.1%	- 61.9%
Consolidated Sales	2,376	100.0%	2,853	100.0%	- 16.7%

### Preliminary Note

SYSTRAN began implementing International Financial Reporting Standards (IFRS) for the first time during the reporting period. The practice of IFRS has no impact on revenue.

### First Quarter 2005 Activities

During the first quarter, SYSTRAN focused its efforts on the commercialization and customer service follow-up for the new version 5.0 product line instead of concentrating on new contracts for *Professional Services*.

The launch of the version 5.0 client-server products positively impacted license sales during the first quarter amounting to 1,843 K€, an increase of 26.8% compared with the same quarter in 2004.



An increase in sales for the *Software Publishing* unit, which benefits from better margins, offsets the decrease in sales from *Professional Services* due to the completion and non-renewal of Co-funded projects and professional services agreements.

## 2005 Outlook

SYSTRAN aims to direct its efforts in the *Software Publishing* activities. The version 5.0 products allow users to independently customize the software, a task that was exclusively performed through *SYSTRAN Professional Services* up until the release of version 5.0. The company has reinforced its sales and marketing teams as well as the product development and quality assurance staff and therefore anticipates an increase in license sales for this year.

## **About SYSTRAN**

SYSTRAN is the leading provider of the world's most scalable and modular translation software. SYSTRAN's expertise spans over three decades of building customized language translation solutions for global corporations, portals, governments and public administrations through open and robust architecture.

Its core technology powers language translation solutions for the Internet, PCs and network infrastructures that facilitate communication in 40 language pairs and in 20 specialized domains. SYSTRAN's technology is developed under Linux and runs on all Unix platforms, MacOS X and Microsoft Windows.

SYSTRAN is currently developing the following new language pairs: Arabic, Farsi, Hungarian, Polish, Czech, Danish, and Finnish.

SYSTRAN (Code ISIN FR0004109197, Bloomberg: SYST NM, Reuters: SYTN.LN) is listed on Euronext Paris, *Nouveau Marché*, and is member of Euronext's Next Economy segment.

SYSTRAN is headquartered in Paris, France and has a subsidiary in California, USA.

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Results for the first semester of 2005 will be announced on August 5<sup>th</sup>, 2005.

This Press Release is available for download at:

[http://www.systransoft.com/company/investors/financial\\_releases.html](http://www.systransoft.com/company/investors/financial_releases.html)