

## Revenue for Q1 2002

April 23, 2002 -- SYSTRAN (Bloomberg: SYST NM, Reuters: SYTN.LN, Code Euroclear Paris : 7729) today announced consolidated revenue for the first quarter as at 31 March 2002. Despite a substantial increase in sales of translation solutions targeted to the Corporate market, which are SYSTRAN's core business, the Company reported a decrease in global revenue for the first quarter, as compared with the same reporting period in 2001. Due to a lengthy pre-sales process associated with Corporate sales and to the anticipated product upgrade releases, many projected sales are currently pending.

in Millions of €	2002	as % of total	2001	as % of total	Change 02/01
Corporate & Portal Solutions	0.7	43.4	0.5	18.7	+52.8%
Software Publishing	0.5	29.7	0.8	33.7	(41.7%)
Development Contracts	0.1	5.8	0.5	19.3	(80.3%)
Services to Administrations	0.4	21.1	0.7	28.3	(57.8%)
<b>Consolidated Revenue</b>	<b>1.7</b>	<b>100%</b>	<b>2.5</b>	<b>100%</b>	<b>(34.0%)</b>

Based on the scope of consolidation used in 2001, the Revenue for Q1 2002 amounts to 1,5 Million € compared with 2,5 Million € for Q1 2001, reflecting a decrease of 40.6% in sales.

### Increase in sales of Corporate & Portal Solutions continues

The renewal rate of the Corporate & Portal annual licenses is close to 100%. This positive rate creates a recurring revenue stream that confirms the adoption of SYSTRAN solutions and products by global corporations, all today confronted with the challenge of managing multilingual issues company-wide.

Nevertheless, quarterly sales remained weak within a shadow of imminent sales and growing inquiries.

Sales for the Software Publishing business unit have notably decreased, due to the anticipated release of new upgrades for all desktop products. These sales are projected to begin during the second quarter.

### Outlook

The Corporate & Portal business unit expects the continued rise in inquiries from corporations leading to an increase in sales to the corporate market in 2002. As noted previously, full-scale project sales to corporations undergo an average six-month pre-sales cycle. It is important to note that the sales cycle to the Corporate market is much longer than the sales cycle to the Portal market, and SYSTRAN began developing its sales infrastructure to the Corporate market in late 2000. As the corporate market has proven to be more established and solid,



the Company believes its investment in building this foundation will lead to sustainable growth.

The Software Publishing business unit anticipates that it will profit from the upgrade releases in all desktop products during the second quarter. The upgrades include tangible improvements and technology innovations from SYSTRAN's R&D. Accordingly, business unit sales are expected to increase during the second semester of 2002.

Services to administrations and development contracts are expected to record an increase in sales as well during the subsequent quarters. New project orders have already been booked during the last few months and will begin in April and in July. This recovery of sales will allow the Company to attain similar sales levels in 2002, as compared with sales from year-end 2001.

Consequentially, SYSTRAN now expects first semester 2002 sales to decrease, as compared with the same reporting period for 2001. This due to pending sales in the Corporate & Portal business unit as well as soft sales for retail desktop products sales during this reporting period. Accordingly, the Company will continue to streamline costs during the second quarter of 2002.

The outlook and forecasted growth remain a significant factor at this time, demand for high-end automated translation solutions for the global corporate market, an emerging market, has never been higher. In addition, the recent industry-related restructuring of competitors will allow SYSTRAN to increase its market share.

### **About SYSTRAN**

SYSTRAN is the leading provider of the world's most scalable and modular translation architecture. SYSTRAN's expertise spans over 30 years of building customized translation solutions for large corporations, portals, ISPs, governments and public administrations through open and robust architectures

Its core technology powers revolutionary translation solutions for the Internet, PCs and network infrastructures that facilitate communication in 35 language pairs and in 21 specialized domains. SYSTRAN's technology is developed under Linux and runs on all Unix platforms, MacOS X and MS Windows. SYSTRAN continues to develop new systems and language combinations, which include Arabic, Farsi, Czech, Hungarian, Polish, Danish, Finnish and Swedish.

SYSTRAN is headquartered in France and has subsidiaries in California and Luxembourg.

SYSTRAN ([Euroclear Paris code : 7729](#)) is listed on Euronext Paris, *Nouveau Marché* and is member of Euronext's Next Economy segment. AUREL-LEVEN is the French investment company appointed to trade SYSTRAN's stock on the Market.

### **CONTACT**

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Results for first semester 2002 will be announced on July 25, 2002

You can download this Press Release at <http://www.systransoft.com/Investors/Press.html>