

Q4 2017 Sales Activity

A record year and quarter fueled by growth in cloud-based solutions

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SALES REVENUE (UNAUDITED)	Q4 2017 M€	Q4 2016 M€	Q4 2017/Q4 2016 GROWTH ⁽⁴⁾	2017 M€	2017/ 2016 GROWTH ⁽⁴⁾
SAAS-BASED DOCUMENT PROCESS AUTOMATION ⁽¹⁾	17.2	13.8	+21%	64.3	+20%
LICENSE AND MAINTENANCE- BASED DOCUMENT PROCESS AUTOMATION ⁽²⁾	2.1	2.7	-18%	8.1	-23%
LEGACY PRODUCTS ⁽³⁾	0.9	0.9	+11%	3.6	-17%
TOTAL	20.2	17.5	+14%	76.1	+11%

⁽¹⁾Includes Esker on Demand, FlyDoc, CalvaEDI, TermSync and e-integration GmbH

⁽²⁾Includes Esker DeliveryWare

⁽³⁾Includes Fax Servers and Host Access

⁽⁴⁾Growth expressed with no currency effect: 2017 exchange rates applied to 2016 figures

Strong growth of cloud-based solutions

Esker Q4 2017 consolidated sales revenue has surpassed 20 million euros for the first time, totaling 20.2 million euros — a 16% increase over Q4 2016 (14% in organic growth). Sales revenue for 2017 totaled 76.1 million euros, up 15% over 2016 (11% based on constant exchange rate and like-for-like [LFL] growth). Esker's activity has been very dynamic and continues to be driven primarily by cloud-based activities.

Esker has once again experienced its most successful quarter and year in company history, despite the strength of the euro against the U.S. dollar which had a negative impact on the quarter's sales by 0.7 million euros (1.2 million euros on the whole of the year).

Revenues from SaaS-based automation solutions increased by 20% over the year (21% over the quarter), representing 85% of the business (same as in Q4). This performance reflects the implementation of the numerous contracts signed during the year, as well as the development of Esker's existing customers.

(continued)

This fourth quarter includes the sales revenue of German company, e-integration GmbH, acquired at the beginning of the year. With 3.6 million euros in sales revenue, e-integration GmbH achieved 9% growth over the same period in 2016. This performance is in line with expectations and reinforces the relevance of the acquisition for Esker.

Strengthened financial structure for future growth

Despite an unfavorable euro-dollar parity, Esker anticipates a slight increase in its operating income compared to 2016. Esker's growth management strategies have enabled the company to increase its financial results while reinforcing technical and commercial investments to ensure sustainable growth in the coming years.

As of December 31, 2017, company cash rests at 23.2 million euros. With 11.3 million euros in net cash and 140,000 in treasury shares immediately available, Esker has the financial resources necessary to pursue its strategy of combining organic growth and acquisitions.

Positive outlook for 2018

Esker confirms it expects to achieve double-digit organic growth in 2018. Strong recurring revenue (80% of sales in Q4) offers excellent visibility, and a record number of new contracts signed this quarter will fuel the company's growth for the years ahead.

About Esker

Esker is a worldwide leader in cloud-based document process automation software. Esker solutions, including the acquisition of the TermSync accounts receivable solution in 2015, help organizations of all sizes to improve efficiencies, accuracy, visibility and costs associated with business processes. Esker provides on-demand and on-premises software to automate accounts payable, order processing, accounts receivable, purchasing and more.

Founded in 1985, Esker operates in North America, Latin America, Europe and Asia Pacific with global headquarters in Lyon, France and U.S. headquarters in Madison, Wisconsin. In 2016, Esker generated 66 million euros in total sales revenue. For more information on Esker and its solutions, visit www.esker.com. Follow Esker on Twitter [@EskerInc](https://twitter.com/EskerInc) and join the conversation on the Esker blog at blog.esker.com.

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