



2015

ANNUAL REPORT





This registration document was filed with the French financial market authority (*Autorité des Marchés Financiers* or *AMF*) on May 09, 2016 in compliance with Article 212-13 of the AMF General Regulation.

It may be used in connection with a financial transaction only if accompanied by a memorandum approved by the AMF.

The original French language version of this document was prepared by the issuer and is binding on its signatories.

Copies of the original French language registration document are available to all persons submitting a request to the Company's registered office.

It can also be consulted at Esker's website: <http://www.esker.fr>.

In accordance with Article 28 of Commission Regulation (EC) No 809/809 (the "Prospectus Directive"), the following information is incorporated by reference in this registration document:

- The consolidated financial statements and the auditors' report thereon for the period ended December 31, 2014 as presented on pages 36 to 53 of the original French language version of the registration document filed with the AMF on May 19, 2015 (No. D.15-0516);
- The consolidated financial statements and the auditors' report thereon for the period ended December 31, 2013 as presented on pages 51 to 69 of the original French language version of the registration document filed with the AMF on April 30, 2014 (No. D.14-0462);

The information included in these two registration documents other than the items mentioned above have been, as applicable, replaced and/or updated by the information included in this registration document.

The two registration documents referred to above may also be consulted at the Company's website: www.esker.fr.

Disclaimer: This document is a free translation of an abridged version of the French 2015 registration document ("Document de Référence 2015") issued in French filed with the Autorité des Marchés Financiers (French Securities and Exchange Commission). In consequence, the English version has not been registered by this Authority. While all possible care has been taken to ensure that this translation is an accurate representation of the original French document, in all matters of interpretation of information, views or opinions expressed therein, only the original language version of the document in French is legally binding. As such, this translation may not be relied upon to sustain any legal claim, nor be used as the basis of any legal opinion and Esker SA expressly disclaims all liability for any inaccuracy herein.

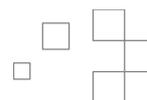
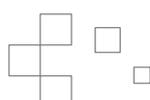


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1. PRESENTATION OF THE GROUP AND BUSINESS OVERVIEW

1.1. Selected financials and key figures

Revenue

Net sales (€ thousands)	
2015	58,457
2014	46,060
2013	41,116
2012	40,260

Operating profit

Operating profit (€ thousands)	
2015	9,054
2014	5,700
2013	3,883
2012	4,265

Net income

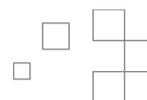
Net income (€ thousands)	
2015	6,473
2014	4,650
2013	3,188
2012	3,001

Basic earnings per share

Earnings per share (€)	
2015	1.30
2014	0.97
2013	0.68
2012	0.64

(€ thousands)	2015	2014
Cash flows after net financial expense	10,984	7,917
Change in operating working capital	1,136	290
Net cash provided by operating activities	13,226	8,545
Net cash used in investing activities	-15,654	-3,809
Net cash used in investing activities	468	-1,403
Net change in cash and cash equivalents	-1,960	3,333

(€ thousands)	2015	2014
Non-current assets	25,184	12,552
Current assets	36,110	33,894
Shareholders' equity	29,188	21,506
Provisions for contingencies and expenses	567	541
Borrowings	7,317	5,113
Other payables	24,222	19,286



1.2. Group history and milestones

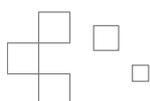
1.2.1. General overview

- **In 1985** Esker was founded by Jean-Michel Bérard and Benoît Borrits after completing computer science degrees from INSA of Lyon. In its start-up phase, the company initially specialized in providing computer services that enabled it to develop experience in the markets for Unix and PC.
- **In March 1989** Esker marketed its first host access software products, notably TUN, which fueled the company's expansion over the following years. Management decided to position the Company as a developer of software products and opened up its capital to outside investors. The first contracts were signed with European distributors.
- **In 1991** Esker opened its first subsidiary in the US (San Francisco), rapidly followed by subsidiaries in Germany, the United Kingdom, Italy and Spain. In 1997, Esker acquired its main distributor in Sydney providing a commercial platform for its operations in Australia.
- **On 2 July 1997**, Esker was listed on the *Nouveau Marché* of the Paris stock exchange to strengthen its equity to accelerate its expansion in North America and the diversification of its product portfolio.
- **In 1998**, Esker acquired Teubner & Associates (Stillwater, Oklahoma, USA).
- **In 1999**, Esker acquired Alcom (Mountain View, California, USA) and Persoft (Madison, Wisconsin, USA).
- **In 2000**, Esker acquired VSI (Lake Forest, California, USA)

These acquisitions gave Esker access to significant customer bases and North American distributors and diversified its activities to include fax servers. From 1998 to 2004, the contribution of the US to sales increased from 15% to 53%.

In response to a sustained decline in host access sales (-35% in 2000), Esker introduced automation solutions adapted to the evolving needs of companies. This led to the launch of Esker DeliveryWare in 2001. This was accompanied by significant measures to optimize its workforce and reduce investments devoted to its historical products in favor of this new project.

- **In 2003**, document process automation solutions accounted for 15% of Group sales, marking a successful beginning of the company's repositioning in this market. Esker completed its automation offering by adding document archiving and production functions. A services offering was also introduced to provide large accounts with support when installing the Esker DeliveryWare solution.
- **In 2004**, a return to growth highlighted the success of the Group's new strategy. In 2004, the contribution of automation solutions increased 80% over the prior period to account for 25% of total Esker sales. More than 900 customers including Microsoft Corp., Whirlpool, France-Telecom and Groupama use these services on a daily basis.
- **In 2005**, Esker completed its document process automation line with the addition of FlyDoc making the on-demand benefits of the Esker DeliveryWare platform available to smaller size companies and users that do not have special IT expertise. Following the major success of this launch, at the end of 2005 the company raised capital to finance hardware and software expenditures to assure the development of this new service. During this same year, Esker formed a joint venture with the Lippo Group. Based in Singapore, this entity covers all of the Chinese market in Asia. In 2005, document process automation accounted for 35% of Group sales.
- **In 2006**, the return to profitability marked the end of the strategic reorganization of the Group. Version 4.0 of Esker DeliveryWare was launched, adding value with enhanced inbound document capture capabilities (fax and scan). This version represents the culmination of a project launched in 2000 to provide fully integrated document process automation solutions. Through this approach, the average size for sales was multiplied 1.5 times. In 2006, the Group's different document automation solutions (Esker DeliveryWare and FlyDoc) registered combined growth of 59% to account for 51% of the total sales mix.
- **In 2007**, Group sales grew 8% at constant exchange rates, a marginal deceleration in relation to 2006. This result reflects a 4% decline in US sales as large accounts adopted a wait-and-see approach in the wake of the country's credit crisis. In contrast, sales in Europe and Australia that benefited from normal economic conditions expanded 21%. Document process automation increased its share of total revenue to 64% on robust growth in the period (+31%). Strong expansion of this segment again this year was fueled by a 50%



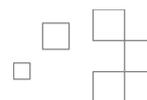
increase in the average value of transactions and sustained growth of on-demand document process automation solutions such as FlyDoc.

- **In 2008**, Group sales grew 7% at constant exchange rates. This performance highlights the Group's ability to maintain steady growth in sales even in an environment of global economic crisis. Esker's document process automation solutions provide companies tools to strengthen their competitiveness while reducing operating costs. Through its new functionalities, Version 5.0 of Esker DeliveryWare launched in September 2008 further reduced the time and cost of processing customer orders and supplier invoices. In addition, the Esker on-demand service offering (SaaS: Software as a Service) facilitates access to the solutions by reducing investments required for their implementation. Revenue from on-demand services expanded 66% over the period and account for 25% of total Group revenue.
- **In 2009**, Group sales grew 2% at constant exchange rates representing a marginal decline on 2008. This growth was driven primarily by document process automation solutions that advanced 16% in the period to account for 73% of total Group revenue. The slowdown in North America was offset by robust growth in the Asia-Pacific region that alone accounts for 8% of revenue and by sustained growth in Europe, particularly in France on gains of close to 20%. On-demand document process automation services, FlyDoc and Esker on Demand, also registered excellent performances, advancing 45% year-over-year on sales of €10 million, or more than one third of total Group revenue.
- **In 2010**, the Group had sales of €32.7 million, up 19% (14% at constant exchange rates) over the previous year. This performance was largely driven by positive momentum for document process automation solutions that grew 21%, and particularly the "Cloud" offering that was up 36% on 2009 and now accounting for 41% of total revenue. This growth in revenue was accompanied by a twofold increase in operating income to €1.75 million. This performance was in line with the Group's plan for development that had been pursued for several years. Esker's focus from one year to the next is on achieving sustainable growth combined with control over operating costs while maintaining research and development investments adapted to its objectives.

In August 2010, the shares of Esker were transferred from Segment C of NYSE Euronext Paris to the Alternext equity trading market.

- **In 2011**, the Group achieved a record performance with its best results for revenue, operating income and net income in its history with net sales of €36.2 million, up 11 % (13% at constant exchange rates) over the previous year. On that basis, Esker had the best year since its creation driven by the success of document process automation solutions that grew 17% in the period to account for 82% of total Group revenue in 2011.
- **In 2012**, the Group maintained its forward momentum, with another record performance on gains in both sales (+11%) and earnings (+14%) from its market positioning and cloud computing model. At constant exchange rates Group revenue rose 6% to reach €40.3 million. This period was marked by a very strong acceleration in the adoption of the Cloud model by companies at the expense of the traditional software licensing activity that experienced a slowdown.
- **In 2013**, confirming the success of SaaS solutions, sales revenue grew 4% at constant exchange rates to €41.1 million. Revenue in 2013 from contracts in production rose 16%, representing €25.2 million or more than 61% of total sales. Cloud-based solutions have become the preferred business model for new IT investments at the expense of traditional license sales.
- **In 2014**, growth momentum was driven by the continuing success of Cloud solutions. On that basis, the company achieved its best annual performance to date with €46.1 million in sales. In light of a €2 million loan from BPIFrance, the group's cash position was largely positive at €17.6 million. This level of cash ensures the group has financial autonomy which provides it with the resources to pursue the acquisitions planned in 2015.
- **In 2015**, Esker acquired the US startup TermSync (Madison, Wisconsin, USA) and the Paris-based company CalvaEDI (France). These acquisitions combined with dynamic growth driven by the success of Cloud-based solutions and a favorable currency effect fueled growth in Group sales that reached €58.5 million, up 13% like-for-like (i.e. constant structure and exchange rates).

Bolstered by this performance, operating profit rose 59% to more than €9 million. Cash flow was also up, providing the Group with the ample resources to finance its capital expenditures.



1.2.2. Organization

Legal structure of the Esker Group as of December 31, 2015



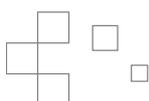
All subsidiaries are wholly-owned and fully controlled by Esker SA, with the exception of the 99.8%-controlled Spanish subsidiary and TermSync, 100% owned by Esker, Inc.

Business relations between Esker Group companies

Business relations between Esker Group companies are defined in the list of freely contracted agreements (transactions relating to ordinary operating activities concluded under normal conditions) for fiscal 2015, established by the Supervisory Board. Amounts invoiced by the Group consisted of the following:

- Sales of services by the parent company to subsidiaries;
- Royalties;
- Marketing expense chargebacks;
- Staff costs chargebacks;
- Interest on advances.

In fiscal 2015, Esker S.A. invoiced on this basis a total of €10,161,000 to all subsidiaries (€9,090,000 in 2014). These subsidiaries in turn invoiced the parent company €785,000 (€455,000 in 2014). Income and expenses relating to intercompany billings are eliminated in consolidation. As such, they have no financial impact on the Group's consolidated financial statements.



1.3. Business overview

1.3.1. Market and strategies

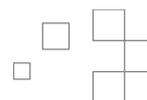
Sales by product segment

<i>In thousands of euros</i>	2015		2014	
	Amount	%	Amount	%
Document automation	53,030	91%	40,285	87%
Fax servers	3,511	6%	3,356	7%
Host access	1,916	3%	2,419	5%
TOTAL	58,457	100%	46,060	100%

Sales by product sub-segment

<i>In thousands of euros</i>	2015		2014	
	Amount	%	Amount	%
Licenses	2,827	5%	3,555	8%
Maintenance	9,336	16%	8,830	19%
Hardware	925	2%	739	2%
Traffic	36,637	63%	27,039	59%
Service	8,732	15%	5,897	13%
TOTAL	58,457	100%	46,060	100%

As document process automation solutions are more widely adopted, traffic sales should continue to experience sustained growth over the coming years.



Sales by country

<i>In thousands of euros</i>	2015		2014	
	Amount	%	Amount	%
France	21,680	37%	17,102	37%
United Kingdom	3,512	6%	3,006	7%
Germany	1,861	3%	2,222	5%
Italy	1,149	2%	982	2%
Spain	1,841	3%	1,482	3%
Australia	2,233	4%	2,041	4%
Asia	1,149	2%	555	1%
North America	25,032	43%	18,670	41%
TOTAL	58,457	100%	46,060	100%

Sales outside of France account for 63% of revenue, with the United States alone accounting for 43%. In addition, the strength of the US dollar relative to the euro in 2015, provided a further boost of growth to 8%.

Furthermore, the companies acquired in 2015, namely the US startup, TermSync (for 11 months of operations) and the French Electronic Data Interchange (EDI) specialist CalvaEDI (8 months of consolidation in 2015) contributed €1.9 million to the Group revenue in the period, or additional growth of 4%.

Document process automation

Esker DeliveryWare

Competitors in the Esker DeliveryWare product segment include:

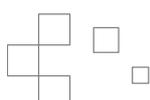
Company	2015 sales ⁽¹⁾	Products or product families
Lexmark	€3,215m	Documents
Basware	€143.3m	
Open Text	€1,677m	
ITESoft	€23.2m	

(1): Total sales of the company rather than for the product line in question

In its opinion, Esker is the only provider in this segment offering solutions for both inbound and outbound document delivery through such an extensive range of channels. Esker is unique in proposing a comprehensive on-demand offering for solutions in this category. On this basis, it is able to propose solutions covering the full range of needs of large groups to the smallest companies.

Esker on Demand

Competition in the SaaS segment for document process automation is still in a nascent stage. Companies operating in this sector, while not considered to represent real competitors, include SpringCM, Crossgate and Concur.



FlyDoc

Only Maileva (a subsidiary of La Poste) proposes a viable alternative to the FlyDoc service for the delivery of mail on demand. According to Esker, FlyDoc offers better integration with Windows applications than its French competitor. FlyDoc is also less expensive and does not impose an annual fee.

1.3.2. Research and development, patents and licenses

Research and development expenses

Esker has historically devoted significant resources to research and development. In 2015, the R&D budget represented nearly 10 % of total Group sales. This policy ensures that Esker maintains its technological advance, the only effective means of meeting challenges from competitors. At December 31, 2015 at the site located in Lyon, a team of 61 computer engineers worked on developing Esker software programs. In addition, a team of 31 engineers are devoted to producing documentation and providing second line technical support.

The following table provides a breakdown of R&D expenses by major product lines before and after the capitalization of development expenditures:

<i>In thousands of euros</i>	12/31/15	12/31/2014	12/31/13
R&D expenses for the period	-5,583	-5,003	-4,115
Capitalized development expenditures	3,836	3,343	2,762
Amortization of capitalized development expenditures	-2,509	-2,127	-1,799
RESEARCH AND DEVELOPMENT EXPENSES NOT CAPITALIZED	-4,256	-3,787	-3,152

Research and development expenditures are focused primarily on the document process automation lines. Amounts devoted to R&D for the mature products in the host access and fax segments have been in contrast progressively reduced over time.

Development expenditures recognized as assets in 2015 concern mainly SaaS solutions (Esker on Demand and FlyDoc), are capitalized every six-months.

Patents

Technologies for GDR (general document recognition), analysis and routing have been protected for a number of years by patents with the USPTO years (United States Patent and Trademark Office).

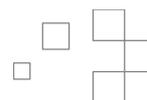
In particular, this protection covers the following patents:

- US 6906817 B1: Network system for directing the transmission of facsimiles
- US 8094976 B2: One-screen reconciliation of business document image data, image data, optical character recognition extracted data, and enterprise resource planning data
- US 8108764 B2: Document recognition using static and variable strings to create a document signature
- US 8396854 B2: Digital document management system
- US 8577826 B2: Automated document separation

Trademarks

The following trademarks have been registered by Esker in France and other countries

- Esker
- FlyDoc
- VSI-Fax
- FaxGate
- General Document Recognition
- Smarterm
- Smartmouse
- Tun

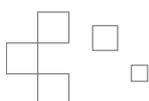


- Tun Emul
- Tun Mail
- Tun Plus
- Tun TCP
- Persona
- Pulse

Independence of the issuer

Esker SaaS solutions are provided with equipment owned and operated by Esker. In contrast, computer equipment is housed in secure data center rooms operated by outside service providers (Colt, CDW).

Esker products are generally sold without complementary third-party products, with the exception of Esker DeliveryWare that incorporates document format conversion and optical character recognition modules marketed by Esker. Esker Fax is frequently marketed with an intelligent fax board.



1.4. Management discussion and analysis

1.4.1. Overview of the company's activities

Esker designs and produces software applications for companies and is a worldwide provider of document management solutions. Esker software products are sold in the form of on-demand, online services or user licenses. In 2015, sales of software licenses and on-demand services accounted for 67% of revenue. The balance represented revenue from services (training and installation assistance, re-invoicing of transport, etc.), maintenance and product upgrades, and hardware parts (fax boards) associated with these products.

The company has three main product families:

■ Document process automation solutions

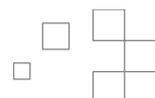
- > Esker DeliveryWare
- > Esker on Demand
- > FlyDoc

■ Fax server products

- > Esker Fax
- > VSI-Fax

■ Host Access products

- > Tun
- > SmarTerm



DOCUMENT PROCESS AUTOMATION SOLUTIONS

Overview

Document process automation contributes to eliminating use of, or manual handling, of paper in business processes such as invoicing, collection, customer order management, accounts payable management or simply sending a letter from a workstation.

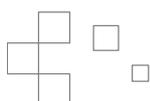
Functionalities and benefits

To achieve ongoing productivity gains, over the last 20 years companies have integrated management software applications. The purpose of these applications was to automate administrative processes such as accounting, order-taking, production runs, and even human resource management. However, whenever these processes need to communicate with the outside world (customers, suppliers, public sector) or with other departments within the company, obstacles are generally encountered requiring reverting to a printed document (invoice, reminder, purchase order, etc.). Handling such printed documents involves numerous manual operations such as printing, folding, stamping, faxing, archiving, photocopying, and/or distributing to internal departments. These manual operations contribute to a loss in productivity and the risk of frequent errors while excessively adding to processing time.

Esker considers that only a part of the productivity gains related to automated management processes have been obtained through the implementation of computerized management applications (ERP, CRM, etc.). The document process automation solutions developed by Esker makes it possible to fully automate the processes by taking over all tasks connected with document delivery inside or outside of companies. These document process automation solutions, capable of reading and interpreting management documents, replace traditional printers through modern delivery channels accessible via the Internet (email, Web publishing, mail on demand, SMS, electronic archiving, automatic faxing, etc.).

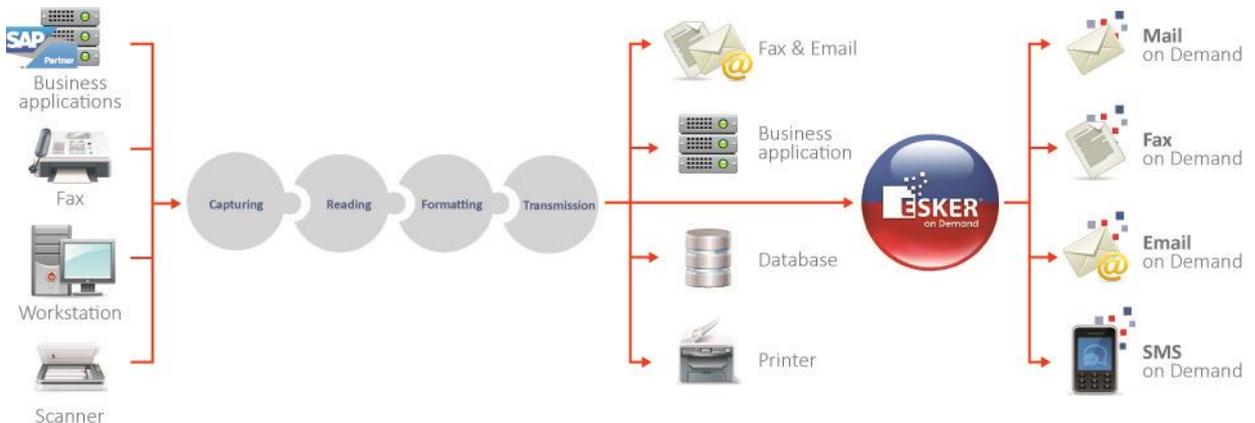
Automating processes linked to paper contribute to significant savings in working capital requirements, productivity gains by administrative departments, fewer errors, reduced costs (paper, ink, postage, telephone) and improved customer service (responsiveness, customization). Esker believes that customers recoup their investment in a document process automation solution, on average, within six months through savings on consumables and time.

Moreover, companies have progressively implemented a number of one-off solutions to partially support the manual document processing tasks. This include equipment such as folder-inserters, photocopiers, printers, stamping machines, fax machines, filing cabinets, staplers, carbon paper, etc., that take up space in company offices and often represent costly, cumbersome, and relatively high-maintenance investments. Esker believes that its document process automation solutions can eliminate all, or part, of these systems while at the same time streamlining technical infrastructure and freeing up IT and technical teams from the associated maintenance tasks.



Esker automation technologies

To respond to the document automation needs, Esker's technologies are deployed as follows:



- Our software products can capture documents regardless of their source (any company application, workstation, fax connection or a scanner).
- Our applications then "read" the documents, extracting the content and converting it into a format able to be exploited by the computer.
- The document and its content are then enhanced by the inclusion of data or images that can be added as a background object, an enclosure or data originally omitted.
- Depending on the content and routing procedures, the documents are then delivered to one or more electronic media such as a fax or email device, printers or business application.
- Eliminating the requirement to use printers, folding inserting machines or costly telecommunications systems, documents can be delivered through Esker on Demand that assures the delivery of the documents through the selected media (mail, fax, SMS or email).

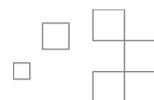
The first four points constitute the heart of the Esker document process automation technology. This solution has been patented by the USPTO (United States Patent and Trademark Office) under number 6 906 817. In 2005, on-demand document delivery services by mail, fax, SMS or email were recognized as among the top eight "coolest" solutions of the year by the Gartner Group.

Example: Purchase order processing

> **Today:** A company receives purchase orders from customers by fax. They are then printed on a fax machine and company personnel enter the data included in the order into the ERP. An order confirmation is then sent by fax or email to the customer before copying the purchase order several times to be archived in different files. When the shipment of goods has been completed, company personnel request a printout of an invoice that is then folded, inserted in an envelope and mailed to the customer. Several copies of the invoice are issued for archiving purposes.

> **The Esker solution:** Our applications electronically receive the customer purchase orders sent by fax. The information included in the orders is automatically extracted to be presented to an operator for validation. After being confirmed, the information is transformed to be automatically and directly integrated in the management application. At the same time, the purchase order is electronically stored and confirmation of the order is automatically sent to the customers by fax or email. When the shipment is completed, company personnel request issuance of an invoice to be transmitted to Esker on Demand to be converted in the form of a letter and mailed. A copy of this invoice will also be stored electronically.

In this example, with Esker's document process automation solutions, all manipulation of paper is eliminated even if the customer continues to manually fax and receive invoices by mail.



Esker document process automation

Esker's document process automation offering is organized as follows:



The Esker on Demand service captures inbound and outbound documents on the basis of recognition and routing rules. These applications are hosted and managed directly by Esker. Customers use the service on a remote basis through a secure Internet connection and are not required to install software at their site. Esker on Demand is sold in the form of a monthly subscription at times associated with the provision of services (consulting, installation, formation). The monthly charge is based on the volume of transactions per month.

Esker FlyDoc is a simplified version of Esker on Demand. It is destined for all users or small companies that simply wish to send mail or a fax from their workstation or small business applications. It represents an electronic post office.

CalvaEDI is an Internet-based service for sending and receiving EDI messages for the transfer of data from one computer system to another using a standardized message formatting.

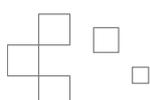
TermSync is a cloud-based accounts receivable (AR) platform for managing the collection process using the Esker on Demand solution or any other third-party solution.

Esker DeliveryWare offers the same functionalities as Esker on Demand that is integrated as an on-premises automation software platform. Esker DeliveryWare is sold in a traditional manner. The package includes a software license installed by the user-customer and sold in conjunction with the service, training, a contract for product maintenance and upgrades and in some cases hardware (fax boards).

Esker on Demand

The Esker on Demand service offering provides a platform to access automated document process solutions on an on-demand basis. As such, it provides outsourcing solutions for sending mail or faxes or processing supplier invoices and a means to eliminate or reduce use of paper.

The main services offered by Esker on Demand include:



- **Purchase requisition automation:** All company employees can submit purchase requisition requests whether by filling out a form or downloading a quote. The purchase requisition is then introduced into the approval cycle resulting in the creation of a purchase order to be sent to the supplier. When the vendor invoice is received, it can be automatically crosschecked against the purchase order. This method offers better visibility and real-time tracking for purchase commitments and prevents unpleasant surprises when vendor invoices are received.
- **Vendor invoice automation:** Invoices are scanned and sent in digital format to the Esker on Demand platform that then reads the content and presents useful data on a webpage. The invoice is then approved, corrected or modified the data. The same webpage is circulated from one user to the next to obtain authorization for payment and recognition in the accounts. Data that has been validated is then input directly in the company's management system.
- **Sales order automation:** Sales orders are received by fax, email or XML on the Esker on Demand platform that then reads their content and presents pertinent data on a webpage. The sales department then approves, corrects or modifies the data that was automatically input. The same webpage is circulated from one user to the next to obtain authorization to deliver the services or products. Data that has been validated is then input directly in the company's management system and the corresponding documents are automatically archived on the platform.
- **Customer invoice automation:** Esker on Demand replaces company printers, capturing the flow of print jobs for invoices to be relayed to Esker's mail platforms where they are reconverted back to paper form, folded, stuffed into envelopes and stamped prior to being handed off to the postal network. For customers who want to receive their invoices in digital format, they are electronically signed (in compliance with the provisions of European tax laws) and sent to the recipient through a portal or email that retains archived copies for 11 years.
- **Outbound Mail on Demand:** Letters are sent to Esker on Demand in the form of an email. Depending on their destination, they are forwarded to the most appropriate mail center, which prints, folds, stamps and mails them in real time.
- **Outbound Fax on Demand:** Faxes to be sent are sent to Esker on Demand in the form of an email. Depending on their destination, they are forwarded to the nearest fax server that completes the delivery in real time.
- **Inbound Fax on Demand:** A telephone number is assigned to each user. Every fax received at this number is automatically transferred by email to the inbox of the user.
- **Automatic document archiving:** Documents submitted to the platform to be sent by fax or mail can be archived for up to 11 years.
- **Outbound SMS on Demand**
- **Sending and receiving on-demand EDI messages**

The Esker on Demand architecture consists of a cluster of secure servers located in Lyon (France), Madison (United States) and Sydney (Australia). These resources are housed in clean rooms monitored 24/7 and equipped with redundant electronic power supplies, telephone feed and Internet access. The network is managed on a remote basis by Esker personnel 24 hours a day (with the United States and Australia assuring the relay when the working day in France is completed) accompanied by a system providing for a standby service for weekends and holidays

To send and receive faxes, Esker on Demand is supported by a platform with several hundred telephone lines.

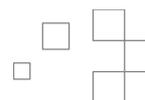
For sending mail, Esker on Demand is linked to several mailing centers located in France, the U.S., UK, Spain, Belgium, Singapore and Australia. These centers have significant print capacity, folding machines and automatic postage systems.

Esker on Demand is entirely based on the Esker DeliveryWare technology.

Esker DeliveryWare

Esker DeliveryWare is the first automated solution for company processes associated with the delivery of documents (invoicing, reminders, sales administration). It offers companies with a means to eliminate or reduce use of paper.

Esker DeliveryWare captures documents regardless of their source. These documents may originate from an enterprise application, workstation, fax connection or be simply digitized by a scanner. Esker DeliveryWare then "reads" the document, extracting the content and converting it into a format able to be



directly manipulated by the computer. The document and its content are then enhanced by the inclusion of data or images that can be added as a background object, an enclosure or data originally omitted. Depending on the content and routing procedures, the documents are then delivered to one or more electronic media such as a fax or email device, printers or business application. When the appropriate channel of delivery of the document has been determined, Esker DeliveryWare then routes it to one of the following electronic media:



Business application through file transfer mechanisms or special connectors. This channel is adapted for inserting content into inbound documents (invoices, purchase orders) in the enterprise system.



Mail on demand sends the letters/pieces to the Esker on Demand platform in the form of an email. Depending on their destination, they are forwarded to the most appropriate mail center, which prints, folds, inserts, stamps and mails them in real time. This media enables users to send and automate business documents (invoices, contracts, reminders) without requiring recipients to change their working practices. This service is included under Esker on Demand.



Fax on demand which sends an electronic message by Internet to a faxing center. This service is provided by Esker on Demand and allows companies that use it to avoid the need to invest in telephone equipment (lines, modem).



Automatic faxing: for transmitting management-type documents (purchase orders, quotes) in fax format without pre-printing.



Electronic mail (email), with or without electronic signatures, for sending copies of management documents to other company departments. Since reforms adopted in July 2003, it has been possible to send electronic invoices in Europe.



Messages for mobile phones via SMS to forward alerts or notifications.



Electronic archiving: for saving copies of documents sent.



XML: standard global format for data presentation in a B-to-B environment for the exchange of management information between companies either directly or through a market platform.



EDI: standard global format for data presentation in a B-to-B environment for the exchange of management information between companies with point-to-point connections.

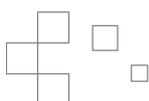


Publication of web content: Esker DeliveryWare provides a simple way to automatically publish data originating from information systems, formatted and published for private or public consultation online.



Local or remote printing when the existence of hard copies is mandatory.

Any other electronic media can be integrated and used by Esker DeliveryWare by means of a specific programming interface.



FlyDoc

This online mail service provides a complete range of delivery solutions from the user's desktop and enterprise applications via email, fax, postal mail or SMS.

FlyDoc is accessible from any workstation with an Internet connection. Through a Web interface, it is possible to download of a document (Microsoft Word for example), indicate a fax number or postal address, select certain options (color/black-and-white, two-sided, postal rate category, priority) and then send the document with the simple click of a button. The document received by the FlyDoc is converted into the appropriate format and then routed to the Esker on Demand platform that assures the actual delivery (by mail or fax).

In the more advanced mode, FlyDoc provides for a specific print driver. When the user requests a print job for a document on this virtual printer a Web page is displayed to select the document delivery options. When this information has been provided, the user can then request delivery by clicking on a special button. FlyDoc provides for the delivery of documents in any application operating under Windows. It can consequently be used by a word processor or a small business application. No software needs to be installed to use FlyDoc. The only component (optional) to be installed is the print driver for users wishing to take advantage of the advanced functions.

FlyDoc is based entirely on the Esker DeliveryWare technology.

CalvaEDI

This is an on-demand service for decision-makers in the transportation and logistics sector – for exchanging transport orders in real time and on a fully automated basis.

TermSync

This is a cloud-based service for managing the accounts receivable collection process for customer invoices issued by Esker on Demand or any other third-party solution. TermSync makes it possible to customize collection procedures for individual customers (trigger payment reminder levels), trigger automatic alerts if payment deadlines are missed and visual tools for tracking aged trial balances in real time and a wide range of the statistics on payment delays. This solution proposes a platform available 24/7 enabling customers to pay their invoices directly or negotiate payment installments.

HISTORIC PRODUCTS

Fax server products

At the end of the 1980s, the fax had become one of the most widely used means of business communication. Since then, the volume of pages that companies send via fax has been regularly increasing. Today, despite the emergence of electronic mail, the fax remains, along with traditional mail, one of the most reliable and the most legally accepted means for the exchange of business documents.

With the development of the PC, word processing tools, and local networks, users wanted to be able to avoid printing documents before faxing them and to send faxes directly from their workstations. The concept of the fax server was born. Software products today, such as Esker Fax, enable users to send faxes without interrupting their work by standing in line at the fax machine or performing other actions related to manual faxing. With a fax server, the facsimile is sent directly via a word processing program simply by using the program's "Print" command. For incoming traffic, fax servers receive facsimiles automatically transmitted to the recipient's inbox according to the number of the caller or called party. This technology consequently contributes to very significant gains in employee productivity.

The development of the Internet has been accompanied by increasing use of fax transmission of documents originating from business applications (purchase orders, delivery slips, quotations, invoices, contracts, reminders, etc.). The fax thus offers indisputable advantages over other means of communications:

- Instantaneous transmission;
- Universal application (usable in virtually all environments around the world);

- Confirmation of documentary delivery (transmission receipt);
- Accurate presentation of the documents transmitted (page formatting is not modified by fax transmission);
- Confidentiality of document transmission through a proprietary network (the telecommunications network) and not through the Internet;
- Integrity of document content because a fax is not easily modified;
- Less expensive than mail.

These benefits constitute important factors for the selection of the fax to transmit company documents of a confidential or critical nature.

Companies seek fax server solutions offering a direct connection to the company's main information system (ERP, IBM major systems, CRM applications, etc.) to improve company response times with customers and reduce total expenses. With the growing use of internal messaging systems (Lotus Notes, Microsoft Exchange, Novell Groupwise), demand is increasing to move away from multiple messaging sources (faxes and email) to a single integrated messaging tool. Users can send faxes the same way they send emails directly from their messaging application. Similarly, they want to be able to receive and read faxes through their messaging applications. This function provides enhanced user-friendly features and improved personnel productivity.

Esker Fax

Esker Fax is a versatile fax server that works on Microsoft Windows 2008 R2 / 2012 R2 operating systems. Esker Fax is destined principally for large companies.

In a production environment, Esker Fax provides several specific connection solutions (SAP, LPD, LPR, APPC, RJE, etc.) for most major applications used by businesses. It is certified by SAP. In the absence of a specific connector for a given environment or application, Esker Fax behaves as a printer, using GDR recognition technology specially developed by Esker. This technology enables routing information such as the fax number or the recipient's name to be recognized and extracted directly from the document to be transmitted.

Esker Fax is compatible with the main electronic messaging systems currently used by companies such as IBM Lotus Notes (Esker Fax for Notes), Microsoft Exchange or SMTP (Internet Messaging). Moreover, Esker Fax is directly accessible from the main office automation tools such as Microsoft Word, Microsoft Excel and, in general terms, any tool that can print directly from a workstation. At present, and following the withdrawal in December 2000 of Lotus' fax server application, Esker Fax for Notes is the only fax solution in the world that offers a fully-integrated user and administrator interface in IBM Lotus Notes. Esker Fax was specially designed to manage large volumes of faxes, integrating numerous optimized functionalities and load balancing functions. Esker Fax supports intelligent multi-channel fax boards (manufactured by Brooktrout or Eicon) which are able to manage up to 120 lines per server. Esker considers Esker Fax to be one of the best products in its class for managing large volumes of faxes.

VSI-Fax

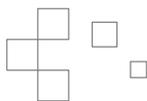
This fax server was developed by the US company VSI acquired by Esker in October 2000.

VSI-Fax is a production fax server operating under UNIX and Linux offering approximately the same features as the Esker Fax product for these environments. VSI-Fax is very frequently integrated into vertical applications (i.e. destined for a specific division or economic sector). The majority of VSI-Fax product customers are companies creating management software for small- and medium-sized firms.

Connectivity products

Most management applications (accounting, inventory management, sales management, etc.) developed in the 1970s and 1980s are centralized on servers. They run on multi-station computers (IBM, UNIX, HP, SUN) and communicate with passive terminals (keyboard + screen) which enable dialog with users.

With the massive influx of PCs into the office environment in the early 1990s, companies progressively began replacing passive terminals with PCs running under Windows operating systems. To continue using legacy applications on these new workstations, businesses were required to install applications that imitated the older passive terminals. Such applications called "terminal emulators" constitute the primary function of the host access product line.



In addition to providing workstation access to host-based applications, host access products also permit:

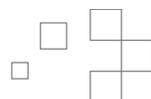
- File Exchange with host systems (FTP client and host protocol);
- Sharing of disks or portions of disks with host systems (NFS client and host protocol);
- Use of the host system printers (LPR protocol);
- Host system access to workstation printers (LPD protocol);
- Remote execution of commands on the host system (RSH/REXEC).

Tun Plus

The Tun Plus product line is marketed mainly for SCO Unix, Linux, IBM AIX, HP-UX, IBM 390 and IBM AS/400 servers. Traditional clients of this line are large accounts equipped with IBM systems and software editors offering management solutions running on UNIX or Linux. The attractiveness of this product line is based on the rich offering of emulations proposed (more than 20 today) and its flexibility and ability to incorporate global solutions developed by software companies or other value-added retailers, etc.

SmarTerm

SmarTerm was developed by Persoft (acquired in 1999). This product has leadership positions in US administrations and the health service and industrial sectors. SmarTerm products are marketed primarily for Digital (VAX Open VMS), Data General and IBM servers. Traditional users of this line include companies and administrations of all sizes equipped with these servers. Compared to Tun Plus, advantages of this product line include its ability to provide solutions adapted to large accounts including, in particular, its high-quality integration with Digital VT environments.



1.4.2. Material contracts

No material contracts, other than those entered into in the ordinary course of business, have been entered into in the last two financial periods

1.4.3. Financial position of the Group

Analysis of Group revenue

In 2015, Esker Group had sales of €58.5 million on growth of 13% at constant structure and exchange rates. This was the best annual performance of Esker Group since its creation.

This performance is once again driven by the sustained success of Cloud-based automation solutions. For fiscal 2015, these solutions accounted for sales of more than €42 million (72% of revenue), up 24% from the previous year.

The traditional license-based businesses remained stable (-1%) whereas the historic products declined and now represent only 9% of total revenue.

Very strong growth in profit and increased capital expenditures

These excellent commercial performances fueled a robust increase in operating profit of more than €9 million with an operating margin of 15.6%, representing growth of 59%. This significant increase in profitability once again highlights the relevance of the cloud computing model adopted by Esker already in 2005 making it possible to structurally combine growth and profitability.

In addition, the level of development expenditures presented in the income statement was also impacted by the capitalization of a portion of these expenditures and their amortization. In the period, €3,836,000 were recognized under intangible assets (€3,343,000 in 2014) relating mainly to developments for SaaS solutions (Esker on Demand and FlyDoc), capitalized every six months.

The net impact of capitalized development expenditures in the period, after deducting amortization expenses, was €1,314,000 (versus €1,216,000 at December 31, 2014). Since the acquisition of the startup TermSync, Esker once again has research and development operations in the United States in addition to those in France. In France (and the US), Esker is a beneficiary of Research Tax Credits.

Net financial expense amounted to €6,000 compared to net financial income of €220,000 in 2014, reflecting primarily foreign exchange results and net interest expense.

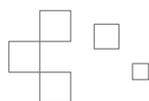
Group foreign exchange risk concerns primarily inter-company transactions in USD, GDP and AUD.

The net exceptional expense of €245,000 reflects primarily the disposal of a production machine that had not been fully depreciated.

In light of the 4 point increase in the effective tax rate from the previous year, the €66,000 share in the equity-accounted Neotouch Cloud Solution and allowances for goodwill amortization of €99,000 for CalvaEDI and TermSync, net income rose 39% to reach €6,473,000 in 2015 compared to €4,650,000 one year earlier.

Significant growth in operating cash flow providing ample resources to finance capital expenditures

Growth in net financial income reflects growth in operating cash flow by €4.7 million (+55%) to more than €13.2 million in 2015. Esker was able to self-finance nearly 85% of its capital expenditures for the period, including two acquisitions at the start of the year and pay its shareholders a dividend of €1.2 million. With Esker's cash position remaining largely positive, it is able to consider new acquisition opportunities to accelerate its growth.



1.4.4. Business trends, outlook and significant post-closing events

Business trends and outlook

In the years ahead, organic growth will be largely driven by on-demand solutions. The absence of an initial investment combined with operating comfort render cloud-based solutions very popular with customers. Esker intends to play a major role in the on-demand document process automation market by leveraging its experience as a pioneer and its sizable installed base. To achieve this, the company will develop its offering by automating increasingly complex processes.

In conjunction with this trend, the weight of the historic products (Host Access and Fax) as well as Esker DeliveryWare licenses in the revenue mix will diminish.

The sizable percentage of the recurring business (79%) allows the company to look to the year ahead with confidence. Acquisitions carried out in 2015 will boost organic growth in the period. Esker is actively exploring acquisition opportunities in northern Europe, focusing in on companies active in the EDI sector. In addition, Esker is strengthening its sales and marketing teams, as well as R&D, without impacting operating profit. On that basis, the operating margin should remain steady in 2015, whereas operating profit is expected to increase.

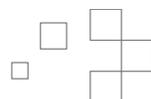
The cash balance is sufficient for the development of infrastructure and software required to support the growth in on-demand solutions.

Esker's main objectives for 2016 are as follows:

- Finalize developments for simplifying the user interface for SaaS and further shorten project execution timelines, by eventually offering customers the possibility for a complete autonomy.
- Grow the cloud-based platform in order to accommodate a growing number of customers.
- Facilitate collaboration between enterprises (customers and suppliers) by enhancing the portals by providing a comprehensive range of solutions.
- Add new payment and invoice financing (factoring) functionalities
- Acquire a company specialized in EDI (or related activity) in northern Europe.

Significant post-closing events

There were no significant post-closing events to report.



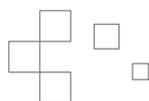
2. CORPORATE GOVERNANCE

2.1. Corporate governance bodies

2.1.1. Membership of corporate governance bodies

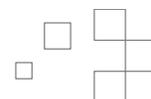
The company is managed by an Executive Board that exercises its functions under the control of a **Supervisory Board**.

Name	Office or position exercised in Esker S.A.	OFFICES EXERCISED IN OTHER COMPANIES					
		Company	Nationality	Office / Position	Year of initial appointment	Expiration of appointment: General Meeting of ruling on the financial statements for the fiscal year ending in	Professional address (primary position)
M.C. Bernal	Chairwoman of the Supervisory Board	• Esker SA	French	Chairwoman of the Supervisory Board	2001	2018	
		• Potentia Pharmaceuticals	US	Director	2005	N/A	6400 Westwind Way, Crestwood, KY 40014
		• GNUBIO	US	Director	2010	N/A	1 Kendall Square, Cambridge, MA 02139
		• Exel Industrie	French	Director and Chairman of the Audit Committee	2012	2018	54 rue Marcel Paul, 51200 Epernay
K. Beauvillain	Vice Chairman of the Supervisory Board	• Esker SA	French	Vice Chairman of the Supervisory Board	1999	2016	-
T. Wolfe	Member of the Supervisory Board	• Esker SA	French	Member of the Supervisory Board	1999	2016	Esker Inc. - 1212 Deming Way, Suite 350 - Madison, WI 53717 - USA
J.M. Bérard	Chairman of the Executive Board	• Esker SA	French	Chairman of the Executive Board	2000	2016	10 Rue des Emeraudes 69006 Lyon
		• Esker Inc.	US	Vice President	2001	N/A	- 1212 Deming Way, Suite 350 - Madison, WI 53717 - USA
		• Esker UK Ltd.	British***	Vice President	1999	N/A	Durham House, Wyvern Business Park, Stanier Way, Derby, Derbyshire DE21 6BF - UK
		• Esker GmbH	German	Director	1999	N/A	Dillwacherstrasse 5, 80686 Munchen - Germany
		• Actia Italia Srl	Italian	Director	2001	N/A	Via Gozzano 45, 21052 Busto Arsizio - Italy
		• Esker Iberica SI	Spanish	Director	2001	2100	Peru 6, Planta baja, Oficina 1 Edificio Twin Golf B, 28290 Las Rojas, Madrid - Spain
		• Esker Australia Pty Ltd.	Australian	Vice President	1997	N/A	219-227 Elizabeth Street, Sydney NSW 2000 - Australia
• Documents Automation Asia Pte Ltd.	Singapore	Vice President	2007	N/A	47 Scott Road, Goldbell Tower, Singapore 228233		



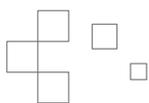
		• Esker Documents Automation (M) Sdn. Bhd.	Malaysia	Vice President	2009	N/A	Enterprise 4, Technology Park Malaysia, Lebuhraya Puchong SG Besi Bkt Jalil, 57000 Kuala Lumpur - Malaysia
		• Esker Solution Canada Inc.	Canadian	Director	2012	N/A	Bureau 2800, 630 bld René Levesque Oues, Montréal (Quebec) H3B 1S6 - Canada
E. Olivier	Member of the Executive Board	• Esker SA	French	Member of the Executive Board	2003	2016	10 Rue des Emeraudes 69006 Lyon - France

- **Marie-Claude Bernal** has served as Chairwoman of the Supervisory Board of Esker since 2000. Graduated from the HECJF School of Management in 1967, followed by an MBA from the University of Chicago in 1971, she joined the Banque de Neuflyze where she became one of the first women in France to manage a mutual fund. In 1977, she joined Wellington Management in Boston, one of America's oldest and largest independent investment management firms, where she helped launch and grow the international investment department, becoming a partner in 1994. She pursued her collaboration with this company until 2000. Marie-Claude Bernal is also a member of the Board of Directors and the Audit Committee of the US company, Potentia Pharmaceuticals.
- **Kléber Beauvillain** has served as Vice Chairman of the Supervisory Board since 2000. He was Managing Director of Hewlett Packard France for more than 20 years before becoming the Chairman of the Supervisory Board. He currently serves on the boards of several companies including the Alpha Mos Group listed on the Paris stock exchange.
- **Tom Wolfe**, member of the Supervisory Board is the founder of Persoft Inc, acquired by Esker in 1999.



3. EMPLOYMENT-RELATED, ENVIRONMENTAL AND SOCIAL INFORMATION

None.

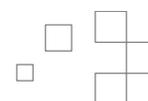


4. FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

4.1. Consolidated financial statements for the year ended December 31, 2015

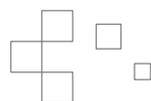
CONSOLIDATED BALANCE SHEET

ASSETS (€ thousands)	Notes	12/31/15	12/31/2014
Goodwill	2	4,321	0
Intangible assets	3	15,282	7,709
Property, plant and equipment	4/5	4,985	4,470
Financial assets		596	373
Non-current assets		25,184	12,552
Inventories		161	93
Trade receivables		13,203	12,147
Deferred tax assets		1,581	1,132
Other receivables and accruals	6	4,870	2,963
Cash and marketable securities	7	16,295	17,559
Current assets		36,110	33,894
TOTAL ASSETS		61,294	46,446
SHAREHOLDERS' EQUITY AND LIABILITIES (€ thousands)	Notes	12/31/15	12/31/2014
Share capital		10,496	10,192
Additional paid-in capital		18,485	18,115
Consolidated income (loss)		6,473	4,650
Reserves and retained earnings		-6,266	-11,451
Shareholders' equity	8	29,188	21,506
<i>Attributable to the parent</i>		<i>29,188</i>	<i>21,506</i>
<i>Attributable to non-controlling interests</i>		<i>0</i>	<i>0</i>
Provisions for contingencies and expenses	11	567	541
Borrowings and financial liabilities	12	7,317	5,113
Trade payables		4,221	3,606
Tax and employee-related payables		9,792	7,565
Deferred tax liabilities		105	38
Other payables and accruals	13	10,104	8,077
Payables		31,539	24,399
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		61,294	46,446



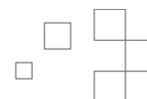
CONSOLIDATED INCOME STATEMENT

(€ thousands)	Note	12/31/15	% of sales	12/31/2014	% of sales
Sales	14	58,457	100.0%	46,060	100.0%
Own production of goods and services capitalized	15	3,836	6.6%	3,343	7.3%
Other operating income		1,401	2.4%	1,017	2.2%
Purchases consumed		-1,430	-2.4%	-1,234	-2.7%
Change in inventory		54	0.1%	10	0.0%
Other operating expenses		-16,038	-27.4%	-13,425	-29.1%
Staff costs	16	-31,954	-54.7%	-25,873	-56.2%
Tax and similar expenses		-896	-1.5%	-853	-1.9%
Net allowances for amortization and depreciation		-4,326	-7.4%	-3,278	-7.1%
Net allowances for provisions		-50	-0.1%	-67	-0.1%
Operating profit		9,054	15.5%	5,700	12.4%
Net financial income /(expense)	17	-6	0.0%	220	0.5%
Current operating income of consolidated operations		9,048	15.5%	5,920	12.9%
Net exceptional items	18	-245	-0.4%	53	0.1%
Income taxes	19	-2,292	-3.9%	-1,323	-2.9%
Share of income from equity-accounted associates		61	0.1%	0	0.0%
Allowances for goodwill amortization		-99	-0.2%		
Net income		6,473	11.1%	4,650	10.1%
<i>Basic earnings per share in euros</i>		1.30		0.97	
<i>Diluted earnings per share in euros</i>		1.22		0.90	



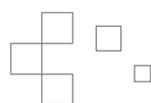
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(€ thousands)	Capital stock	Additional paid-in capital	Translation difference	Annual profit/(loss)	Reserves and retained earnings	Equity attributable to the parent
Balance as of December 31, 2013	9,801	17,714	-329	3,188	-11,717	18,657
Retained earnings/(accumulated deficit)				-2,311	2,311	0
Annual profit/(loss)				4,650		4,650
Currency translation adjustments			706			706
Stock options	391	401				792
Treasury shares					-2,364	-2,364
Dividends				-877		-877
Other changes					-58	-58
Balance as of December 31, 2014	10,192	18,115	377	4,650	-11,828	21,506
Retained earnings/(accumulated deficit)				-3,442	3,442	0
Annual profit/(loss)				6,473		6,473
Currency translation adjustments			729			729
Stock options	304	370				674
Treasury shares					1,200	1,200
Dividends				-1,208		-1,208
Other changes					-186	-186
Balance as of December 31, 2015	10,496	18,485	1,106	6,473	-7,372	29,188



CONSOLIDATED STATEMENT OF CASH FLOWS

<i>(€ thousands)</i>	12/31/15	12/31/2014
Consolidated net income	6,473	4,650
Adjustments to reconcile non-cash items to cash generated from operations :		
Net allowances for depreciation and provisions	4,500	3,291
- Carrying value of assets sold	145	41
- Proceeds from the disposal of assets	-134	-65
Cash flows after net financial expense	10,984	7,917
Tax liabilities	2,292	1,323
Taxes paid	-1,165	-1,075
Interest expense and income	-21	90
Change in operating working capital	1,136	290
NET CASH PROVIDED BY OPERATING ACTIVITIES	13,226	8,545
Acquisition of intangible assets	-11,528	-4,028
Acquisition of property, plant and equipment	181	22
Proceeds from the disposal of PPE and intangible assets	-45	197
Change in non-current investments	-4,262	
NET CASH USED IN INVESTING ACTIVITIES	-15,654	-3,809
Dividends paid to shareholders of the parent company	-1,208	-877
Capital increases or contributions		
Issuance costs for capital increases		
Amount received from the exercise of stock options	583	735
Change in treasury shares		-2,441
Repayment of borrowings – finance leases	-1,907	-820
Change in borrowings	3,000	2,000
NET CASH PROVIDED BY FINANCING ACTIVITIES	468	-1,403
NET CHANGE IN CASH AND CASH EQUIVALENTS	-1,960	3,333
Effect of exchange rate changes on cash	696	815
Cash and cash equivalents at beginning of year	17,559	13,411
Cash and cash equivalents at end of year	16,295	17,559



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Significant accounting policies, basis of consolidation

■ Adoption and approval of the accounts

The consolidated financial statements of Esker Group at December 31, 2015 were adopted by the Executive Board and submitted for approval to the Supervisory Board on March 17, 2016.

■ Statement of compliance

The consolidated financial statements were presented on the basis of French law and French GAAP and notably the accounting policies set out in Regulation 2014-03 of April 29, 1999 on the French General Chart of Accounts (*Plan Comptable Général*) of France's Accounting Regulations Committee (*Comité de Réglementation Comptable* or "CRC") and the subsequent updates resulting from CRC Regulations 2005-05 and 2000-06.

Also applied were CRC Regulation 2004-06 of November 23, 2004 on the definition, recognition and measurement of assets and CRC Regulation 2002-10 of December 12, 2002 on the depreciation, amortization and impairment of assets.

■ Basis of consolidation

Companies in which the Group directly or indirectly exercises exclusive control are fully consolidated. Exclusive control is defined as an ability to exercise directly or indirectly authority in managing the financial and operating policies of a company so as to obtain benefits from its activities.

Equity interests in companies in which Esker Group does not have a controlling interest but exercises a material influence are recognized according to the equity method.

Intercompany receivables, payables, income and expenses of fully consolidated subsidiaries are eliminated.

The list of subsidiaries and associates included in the consolidation scope is presented in section 2 of these notes

■ Foreign currency translation methods

Income statement items of foreign companies outside the euro zone are translated at the average rate for the period and balance sheet accounts are translated at the corresponding year-end rate. Currency translation differences are presented as a distinct line item under equity.

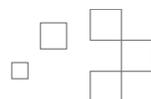
■ Preferred methods

The following preferential methods have been applied:

- Recognition of pension liabilities and other employee benefits;
- Restatement of finance leases;
- Capitalization of development expenditures;
- Recognition of unrealized losses and gains on foreign exchange under expenses and income of the period.

■ Use of estimates

In preparing the financial statements, management has recourse to estimates and assumptions that have an impact on the financial statements.



The main management estimations concern assumptions relating to:

- The measurement and depreciation of property, plant and equipment and intangible assets (notes 3, 4);
- The calculation of deferred taxes (note 19);
- The measurement of retirement commitments (note 11);
- The measurement of provisions (note 11).

These estimations are based on the best information available to management on the closing date.

■ Goodwill

All identifiable assets, liabilities, and contingent liabilities are measured initially by the acquirer at their fair values on the date of transfer of control in favor of the Group (acquisition date) irrespective of the extent of any minority (non-controlling) interests.

The cost of a business combination equals the purchase price, plus directly attributable acquisition costs. Any difference in the acquisition cost at fair value of acquired assets and assumed liabilities and contingent liabilities is recognized in the balance sheet under assets as goodwill.

Goodwill is recorded under intangible assets and amortized according to a previously defined plan over a specific period according to the objectives adopted at the time of acquisition. Furthermore, if the objectives adopted at the time of acquisition are materially modified, an exceptional amortization expense or a modification of the amortization plan is recognized above the amortization amount applied.

■ Intangible assets

Development expenditures

Under the preferred method, development expenditures are recorded as intangible assets when the company can demonstrate that the following criteria have been met:

- Intention by the company and technical and financial feasibility of completing the asset;
- The asset will generate probable future economic benefits for the company;
- The cost of the asset thus created can be reliably measured.

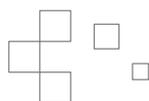
Development expenditures incurred by Esker Group concern two types of applications and are destined to be tracked on an individual basis. These expenditures consist primarily of staff costs.

Group development activities are divided into two categories:

- **Developments to create new products or introduce new functionalities to existing products.** Criteria for capitalizing expenditures under IAS 38 are determined by the marketing and R&D teams when these projects are launched;
- **Development to extend the life of existing products** (adaptation to new operating systems, corrective maintenance, etc.). Such expenditures do not meet the criteria of the standard and are consequently not capitalized.

Development expenditures recorded as intangible assets are amortized over useful lives of one to five years. The corresponding expenditures of projects not yet completed on the closing date are recorded as intangible assets and tested for impairment (see below the note on the impairment of fixed assets).

Other research and development expenditures that do not meet the criteria of the standard defined above are expensed in the period incurred.



Other intangible assets

Software acquired is recognized as intangible assets and amortized on a straight-line basis over useful lives defined as five years.

■ Property, plant and equipment

Property, plant and equipment

The gross value of property, plant and equipment represents the historical acquisition cost. This cost comprises directly attributable costs of transferring the asset to its place of operation and bringing the asset to working condition for its intended use.

Depreciation of property, plant and equipment reflects the pattern of consumption of the expected economic benefits on the basis of the acquisition cost, after deducting when applicable the residual value (as a general rule considered as zero). The straight-line method is applied over the following useful lives:

- General installations: 5-8 years
- Transportation equipment: 3-5 years
- Office and computer equipment: 2.5-8 years
- Furniture: 5 years

Leases

In compliance with the preferred method, leases that transfer to Esker the risks and rewards incidental to ownership (capital leases) are recorded as fixed assets with the corresponding financial liability recognized at fair value or, if lower, the present value of the minimum lease payments.

The corresponding fixed assets are depreciated according to the procedures described above.

The cost of repairs and maintenance are expensed when incurred except where they serve to increase productivity or to prolong the asset's useful life.

■ Impairment of fixed assets

Intangible and tangible fixed assets are subject to impairment tests once there is an indication of loss in value. Indefinite life fixed assets and intangible assets in progress (development projects) are tested for impairment at least once a year.

Intangible assets and property, plant and equipment are tested for impairment when, in connection with events or circumstances occurring in the period, it is considered that the recoverable amount over a sustained period will remain lower than the carrying value.

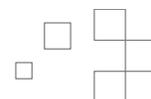
The recoverable amount of an asset is measured at the higher of its fair value less costs to sell and value in use. Value in use is determined on the basis of the present value of future operating cash flows expected over a five-year period and a terminal value based on a perpetuity growth rate for cash flow.

For the purpose of this test, the values of assets are aggregated on the basis of Cash-Generating Units (CGU). CGUs represent profit centers providing the basis of the organization of Group operations and the analysis of results for internal reporting purposes. As a general rule, these profit centers represent legal entities.

When the recoverable value of the CGU is lower than the carrying value an impairment loss is recognized in the income statement.

■ Inventory and work in progress

Inventory is measured at the lower of acquisition cost determined according to the method of weighted average cost per unit or the net realizable value.



■ Trade receivables

Trade receivables are recognized on transfer of title that as a general rule corresponds to the delivery for the sale of goods and completion for services.

A provision for impairment is recognized when the carrying value of these trade receivables is subject to a risk of non-collection.

■ Treasury shares

Long-term shares of the parent company held directly or indirectly through consolidated subsidiaries are deducted from shareholders' equity at their purchase price, after deducting acquisition expenses. Changes in fair value during the period treasury shares are held are not recognized. Gains and losses from the disposal of the shares are recognized directly under equity and do not impact profit or loss.

■ Cash and marketable securities

Cash is comprised of cash at banks and on hand.

Marketable securities have short-term maturities, are readily convertible to cash and subject to an insignificant risk to changes in value.

Securities held for trading are measured at fair value and resulting losses and gains recognized in the income statement.

Changes in cash and cash equivalents are analyzed in the statement of cash flow presented on the basis of the indirect method.

■ Provisions

Provisions are recorded when Group management considers that it has a present, legal, or constructive obligation as a result of a past event. It must be probable that an outflow of resources embodying economic benefits will be required to settle the obligation without receiving equivalent consideration in exchange and the amount of the obligation can be reliably measured.

Provisions for lawsuit contingencies may be recorded in connection with litigation known to the Group to which it is a party. A review of this litigation is undertaken on the balance sheet date by management and outside counsel, if necessary, to determine the amount required to cover these estimated risks.

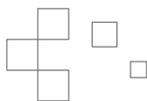
■ Employee benefits

Retirement benefits

In most subsidiaries, the Group has an obligation to finance employee pensions through the payment of contributions calculated on the basis of salaries to pension fund entities. Such contributions are expensed when incurred. No other commitments exist related to these contributions.

In addition, under French law, the Group is required to pay employees an end-of-career severance benefit. The corresponding commitments are calculated annually using the projected unit credit method. This calculation is made in accordance with the provisions provided under the applicable collective bargaining agreement (SYNTEC) according to the following criteria:

- Estimated age of retirement
- Seniority of personnel on retirement date
- Probability of continued presence at the retirement age
- Salary escalation rate
- A discount rate



No other commitments have been recognized for retirement benefits for other subsidiaries of the Group because they are not material or there does not exist a legal obligation.

Other long-term benefits

In accordance with local laws and regulations, the Italian subsidiary must pay employees a severance benefit when leaving the company regardless of the reason (resignation, retirement, etc.). This benefit is calculated on the basis of annual salary and seniority and is subject to annual increases indexed on the rate of inflation issued by the Italian government.

Income taxes and deferred taxes

Temporary differences between the tax base of consolidated tax assets and liabilities are recognized as deferred taxes according to the liability method.

Deferred taxes are recognized when recovery is considered probable within a reasonable period. Reductions in future taxes resulting from the use of tax loss carryforwards (including amounts that can be carried forward indefinitely) are recognized only if their recovery is considered probable.

Deferred tax assets and liabilities are not discounted and are offset within the same tax entity. Deferred taxes calculated allocated to equity items are recognized under shareholders' equity.

Research tax credit

Manufacturing and trading companies taxed according to the actual regime that incur research expenditures may benefit from a tax credit in France (and the US).

The tax credit is calculated for each calendar year and utilized against the tax payable by the Company for the year in which the research expenditure was incurred.

Because research tax credits are by nature acquired independently of the Group's tax situation, it was decided that they be classified under "other operating income".

Revenue

As a general rule, revenue is recognized when it is probable that future economic benefits will flow to the entity and these benefits can be measured reliably, notably on the date the significant risks and rewards of ownership of the goods are transferred to the buyer.

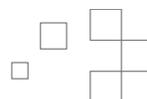
Group sales originate primarily from the sale of licenses, maintenance-related services (training and installation assistance), on-demand services available online (outsourcing of fax and mail services) and equipment (fax boards).

- Sales of licenses and hardware are recognized on the date of delivery
- Income from maintenance contracts is recognized on a straight-line basis over the term of the contract; For contracts concerning the period in progress and future periods, deferred revenue is recognized at year-end for the portion of contracts corresponding to future periods
- Services related to software sales are recognized according to the percentage-of-completion method

Other services are recognized on the date of performance.

The CICE wage tax credit

The French CICE wage tax credit (*Crédit d'Impôt Compétitivité Emploi*) in accordance with the recommendations of the French national standard setter, the ANC (*Autorité des Normes Comptables*), is deducted from personnel expenses in the income statement.



In accordance with the provisions of article 76 of the 2015 Finance Act, it is noted that the CICE wage tax credit whose purpose is to improve the competitiveness of companies, is used by our entity namely for efforts in the following areas:

- Capital investments
- Research, innovation
- Training and recruitment

2. Group structure for consolidation

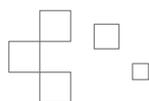
a) Acquisitions

On January 15, 2015 Esker completed the acquisition of the US startup TermSync, based in Madison, Wisconsin. TermSync has been developing and marketing an innovative, collaborative, portal-enabling businesses to modernize their AR processes since 2013 (TermSync was founded in 2009). This acquisition was fully consolidated as of February 1, 2015.

On April 24, 2015, Esker completed the acquisition of CalvaEDI, specialized in EDI solutions. The acquisition of CalvaEDI was immediately accretive for Esker Group based on its high level of recurring revenue, light cost structure and high level of profitability. In 2014 CalvaEDI had €2.3 million in sales and was fully consolidated as from May 1, 2015.

b) Other transactions

Neopost, the number two worldwide supplier of mail solutions and a major player in the fields of communications and logistics solutions and Esker finalized the formation of their joint venture, Neotouch Cloud Solutions, at the end of July 2015 to market Esker's document process automation solutions to SME/SMI clients through Neopost's network in France and in international markets. This joint venture is 70%-held by Neopost and 30%-held by Esker SA. Because Esker exercises a significant influence, this company was accounted for according to the equity method.



Company	Head office	2015		2014		Consolidation method ⁽¹⁾
		Controlling interest (%)	Ownership interest (%)	Controlling interest (%)	Ownership interest (%)	
ESKER	Lyon (France)	Parent company				
Esker GmbH	Essen (Germany)	100.0%	100.0%	100.0%	100.0%	F
Derbyshire (United Kingdom)		100.0%	100.0%	100.0%	100.0%	F
Esker Srl	Milan (Italy)	100.0%	100.0%	100.0%	100.0%	F
Esker Iberica SI	Madrid (Spain)	99.8%	99.8%	99.8%	99.8%	F
Esker Inc	Madison (United States)	100.0%	100.0%	100.0%	100.0%	F
Esker Australia Pty Ltd	Sydney (Australia)	100.0%	100.0%	100.0%	100.0%	F
Esker Documents Automation Asia Pte Ltd	Singapore	100.0%	100.0%	100.0%	100.0%	F
Esker Documents Automation (M) Sdn Bhd	Kuala Lumpur (Malaysia)	100.0%	100.0%	100.0%	100.0%	F
Esker Solution Canada Inc.	Montreal (Canada)	100.0%	100.0%	100.0%	100.0%	F
CalvaEDI SAS	Paris (France)	100.0%	100.0%			F
TermSync	Madison (United States)	100.0%	100.0%			F
Neotouch Cloud Solution	Dublin (Ireland)	30.0%	30.0%			E.M.

(1): F : Full consolidation

E.M.: Equity Method



3. Notes to the balance sheet, income statement and statement of cash flows

NOTE 1: Segment information

Segment information relating to products and services

<i>In thousands of euros</i>	12/31/15	12/31/2014
Software sales	2,827	3,555
Fax card sales	925	739
Contracts for product updates and maintenance	9,336	8,830
Services	8,732	5,897
Traffic	36,636	27,039
NET SALES	58,457	46,060

Information relating to geographical areas

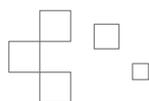
As of December 31, 2015 <i>In thousands of euros</i>	France	Germany	United Kingdom	Southern Europe	Australia, Asia	United States, Canada	Total Group
External sales	21,680	1,861	3,512	2,990	3,382	25,032	58,457
Property, plant and equipment and intangible assets	19,240	3	42	94	42	846	20,267

As of December 31, 2014 <i>In thousands of euros</i>	France	Germany	United Kingdom	Southern Europe	Australia, Asia	United States, Canada	Total Group
External sales	17,102	2,222	3,006	2,463	2,597	18,670	46,060
Property, plant and equipment and intangible assets	11,559	3	12	127	75	403	12,179

Information relating to key customers

In fiscal 2015 the largest customer represented 4.7 % of total Group revenue.

In fiscal 2014 the largest customer represented 2.9 % of total Group revenue.



NOTE 2: Goodwill

<i>In thousands of euros</i>	12/31/15			12/31/2014
	Gross	Amortization	Net	Net
TermSync	4,284	98	4,186	0
CalvaEDI	137	2	135	0
TOTAL GOODWILL	4,421	100	4,321	0

Business combinations are recorded on the basis of the purchase method of accounting. The assets, liabilities and contingent liabilities of the acquiree are recognized at acquisition date fair value. Goodwill arising from consolidation is recognized under the line items of the corresponding assets and liabilities. The excess cost of the business combination over the Group's share of the net fair value of the acquiree's assets and liabilities on the date of acquisition is recognized under goodwill.

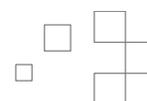
In 2015, the Group acquired two new subsidiaries, TermSync and CalvaEDI. In accordance with the French accounting regulation CRC 99-02, goodwill is subject to amortization. In the absence of specific guidance provided by this regulation for determining the amortization period, the Group has adopted an amortization period of 40 years based on its prospects as a going concern and/or return on investment.

NOTE 3: Intangible assets

<i>In thousands of euros</i>	12/31/15			12/31/2014
	Gross	Amortization	Net	Net
Development expenditures	19,021	12,085	6,936	5,916
Trademarks	1,067		1,067	0
Software	1,408	940	468	125
Customer-related intangible assets	4,963	118	4,845	0
Intangible assets in progress	1,966		1,966	1,668
TOTAL INTANGIBLE ASSETS	28,425	13,143	15,282	7,709

Development expenditures recorded under intangible assets include:

- Costs incurred for the development of document process automation applications
- Costs for the development of on-demand services for our complete offering of solutions



■ Changes in the fiscal year ended December 31, 2015

As of 12/31/15 <i>In thousands of euros</i>	Opening balance	Increases	Reductions	Changes in Group structure ¹	Other changes	Closing balance
Development expenditures	15,480	117			3,424	19,021
Trademarks	0			1,049	18	1,067
Software	880	119	-6	363	52	1,408
Customer-related intangible assets	0			4,963		4,963
Intangible assets in progress	1,668	3,718			-3,420	1,966
INTANGIBLE ASSETS – GROSS VALUE	18,028	3,954	-6	6,375	74	28,425
Development expenditures	9,564	2,521				12,085
Software	755	79	-6	85	27	940
Customer-related intangible assets	0			118		118
INTANGIBLE ASSETS – AMORTIZATION	10,319	2,600	-6	203	27	13,143
INTANGIBLE ASSETS – NET VALUE	7,709	1,354	0	6,172	47	15,282

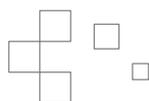
1. First-time consolidation of CalvaEDI and TermSync

Other changes include primarily the reclassification of assets in progress as development expenditures and currency effects.

■ Changes in the fiscal year ended December 31, 2014

As of 12/31/2014 <i>In thousands of euros</i>	Opening balance	Increases	Reductions	Changes in Group structure ¹	Other changes	Closing balance
Development expenditures	12,401	1,676		0	1,403	15,480
Trademarks	0					0
Software	921	63	-149		45	880
Customer-related intangible assets	0					0
Intangible assets in progress	1,403	1,668		0	-1,403	1,668
INTANGIBLE ASSETS – GROSS VALUE	14,725	3,407	-149	0	45	18,028
Development expenditures	7,437	2,127				9,564
Software	830	41	-149		33	755
Customer-related intangible assets	0					0
INTANGIBLE ASSETS – AMORTIZATION	8,267	2,168	-149	0	33	10,319
INTANGIBLE ASSETS – NET VALUE	6,458	1,239	0	0	12	7,709

1. No changes in Group structure in 2014



NOTE 4: Property, plant and equipment

<i>In thousands of euros</i>	12/31/15			12/31/2014
	Gross	Amortization	Net	Net
Office and computer equipment	3,316	2,175	1,141	714
Fixtures and improvements	1,169	738	431	485
Equipment and tooling	6,235	2,942	3,293	3,165
Transport equipment	51	26	25	36
Furniture	467	373	94	70
TOTAL PROPERTY, PLANT AND EQUIPMENT	11,238	6,254	4,984	4,470

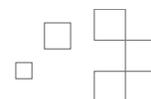
■ Changes in the fiscal year ended December 31, 2015

As of 12/31/15 <i>In thousands of euros</i>	Opening balance	Increases	Decreases	Changes in Group structure ¹	Other changes	Closing balance
Office and computer equipment	2,858	566	-369	81	180	3,316
Fixtures and improvements	1,163	153	-137	44	-54	1,169
Equipment and tooling	5,271	1,414	-491	7	34	6,235
Transport equipment	48	9	-6			51
Furniture	419	32	-46	26	36	467
PROPERTY, PLANT AND EQUIPMENT – GROSS VALUE	9,759	2,174	(1,049)	158	196	11,238
Office and computer equipment	2,144	405	-310	73	-137	2,175
Fixtures and improvements	678	159	-143	30	14	738
Equipment and tooling	2,106	942	-363	6	251	2,942
Transport equipment	12	15	-1			26
Furniture	349	26	-48	14	32	373
PROPERTY, PLANT AND EQUIPMENT – DEPRECIATION	5,289	1,547	-865	123	160	6,254
PROPERTY, PLANT AND EQUIPMENT – NET VALUE	4,470	627	-184	35	36	4,984

1. First-time consolidation of CalvaEDI and TermSync

■ Changes in the fiscal year ended December 31, 2014

As of 12/31/2014 <i>In thousands of euros</i>	Opening balance	Increases	Reductions	Changes in Group structure ¹	Other changes	Closing balance
Office and computer equipment	2,440	396	-106		128	2,858
Fixtures and improvements	1,030	163	-50		20	1,163
Equipment and tooling	3,363	2,480	-605		33	5,271
Transport equipment	43	46	-41			48
Furniture	400	17	-38		40	419
PROPERTY, PLANT AND EQUIPMENT – GROSS VALUE	7,276	3,102	(840)		221	9,759
Office and computer equipment	1,837	311	-105		101	2,144
Fixtures and improvements	591	121	-48		14	678
Equipment and tooling	2,046	637	-605		28	2,106
Transport equipment	30	13	-31			12
Furniture	323	29	-37		34	349
PROPERTY, PLANT AND EQUIPMENT – DEPRECIATION	4,827	1,111	-826		177	5,289
PROPERTY, PLANT AND EQUIPMENT – NET VALUE	2,449	1,991	-14		44	4,470



NOTE 5: Capital leases

<i>In thousands of euros</i>	Gross	Accumulated amortization	Net
As of December 31, 2013	2,961	-1,757	1,204
Increase	2,480	-578	1,902
Decrease	-605	605	0
Translation difference	0	0	0
As of December 31, 2014	4,836	-1,730	3,106
Increase	1,132	-891	241
Decrease	-491	363	-128
Translation difference	0	0	0
As of December 31, 2015	5,477	-2,258	3,219

Capital lease commitments for the periods ended December 31, 2015 and 2014 break down as follows:

<i>In thousands of euros</i>	12/31/15				12/31/2014			
	Less than 1 year	2 - 5 years	More than 1 year	TOTAL	Less than 1 year	2 - 5 years	More than 1 year	TOTAL
Total value of future minimum lease payments	925	2,140	0	3,065	884	2,035	0	2,919
Discounted value of future minimum lease payments	902	2,069	0	2,971	850	1,955	0	2,805

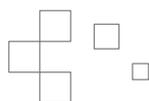
NOTE 6: Other receivables and accruals

<i>In thousands of euros</i>	Net 12/31/15	Net 12/31/2014
Tax receivables	2,386	1,209
Other tax receivables	1,047	500
Other receivables	106	381
Prepaid expenses	1,331	873
TOTAL OTHER RECEIVABLES AND ACCRUALS	4,870	2,963

NOTE 7: Cash and marketable securities

At December 31, 2015, cash included the following items:

<i>In thousands of euros</i>	Net 12/31/15	Net 12/31/2014
Marketable securities	3,571	3,949
Cash at banks and on hand	12,724	13,610
TOTAL CASH AND MARKETABLE SECURITIES	16,295	17,559



Marketable securities correspond to shares in SICAV money market funds and time deposits not subject to a risk of loss in value.

NOTE 8: Shareholders' equity

	Amount (€ thousands)	Number of shares
Capital stock at 12/31/13	9,801	4,900,526
Capital increase	57	28,500
Exercise of stock options and warrants	334	166,814
Capital stock at 12/31/14	10,192	5,095,840
Capital increase	93	46,300
Exercise of stock options and warrants	212	105,975
CAPITAL STOCK AT 12/31/15	10,497	5,248,115

The Company is subject to no specific regulatory or contractual obligations in respect to the share capital. The Group does not have a specific policy concerning share capital. The balance between recourse to external financing and equity financing through capital increases by the issue of new shares is assured on a case-by-case basis according to the transactions under consideration. Share capital monitored by the Group includes the same components as consolidated shareholders' equity.

A dividend of €0.24 per share was paid for the period.

NOTE 9: Treasury shares

Changes in treasury shares held by the Group in fiscal 2015:

	FY 2015	FY 2014
Opening balance	268,528	126,004
Purchase of own shares (liquidity agreement)	125,469	69,369
Sale of own shares (liquidity agreement)	-133,769	-66,410
Purchase of own shares (for external growth transactions)		139,565
Sales of own shares (for external growth transactions)	-70,381	
Closing balance	189,847	268,528



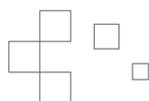
NOTE 10: Stock option, bonus share and warrants plans

Highlights of plans for stock options, stock purchase options and warrants outstanding at December 31, 2014 are presented below

Type	Dates		Exercise price in euros	Number of options			Balance
	Grant	Expiry		granted	exercised	matured or forfeited	
Stock option plan	01/09/06	01/08/16	4.96	128,524	103,299	24,713	512
Stock option plan	07/04/06	07/03/16	5.58	99,630	71,868	5,302	22,460
Stock option plan	01/02/07	01/01/17	7.21	88,796	25,336	37,724	25,736
Stock option plan	07/02/07	07/01/17	10.12	69,606	25,380	21,260	22,966
Stock option plan	07/08/08	07/07/18	4.07	68,600	37,024		31,576
Stock option plan	04/03/09	04/02/19	2.74	118,300	63,686	15,932	38,682
Stock option plan	06/01/10	05/31/20	6.37	48,000	15,656	2,344	30,000
Stock option plan	09/12/11	09/11/21	5.44	67,400	16,374	4,688	46,338
Stock option plan	04/10/12	04/09/22	8.26	19,750	4,059	2,782	12,909
Stock option plan	10/01/12	09/30/22	9.44	56,000		8,000	48,000
Stock option plan	04/19/13	09/18/23	13.04	27,500	2,125	1,000	24,375
Stock option plan	04/01/14	03/31/24	16.32	12,000	872	1,312	9,816
Stock option plan	04/01/15	03/31/25	19.62	24,500			24,500
TOTAL STOCK OPTION PLANS				828,606	365,679	125,057	337,870
Bonus share issues	04/01/14	03/31/16		54,000			54,000
Bonus share issues	06/19/15	06/18/17		42,750			42,750
Bonus share issues	10/12/15	10/11/17		1,800			1,800
TOTAL BONUS SHARES				98,550	0	0	98,550

Changes in the number of stock options, bonus shares and warrants granted to Group employees in the fiscal year ended December 31, 2014 break down as follows:

	Stock options		Bonus shares granted, not issued	
	Quantity	Weighted average exercise price in €	Quantity	Weighted average exercise price in €
Balance exercisable at 12/31/14	420,345	6.80	100,300	15.65
Granted	24,500	19.62	44,550	24.90
Exercised	-105,975	5.50	-46,300	13.10
Matured or forfeited for reason of departure	-1,000	14.07		
Balance exercisable at 12/31/15	337,870	8.12	98,550	21.03



NOTE 11: Provisions

<i>In thousands of euros</i>	12/31/2014	Increases, allowances of the period	Payments in the period	Reversals of provisions unused in the period	Other changes	12/31/15
Provisions for contingencies and expenses	3					3
Pension liabilities	538	56	-30			564
TOTAL PROVISIONS	541	56	-30	0	0	567

Pension liabilities consist of commitments relating to retirement severance payments for employees of Esker France and contributions payable to employees of Esker Italy.

Commitments for retirement severance payments for Esker France employees have been measured according to the method described under significant accounting policies. At December 31, 2015 this liability represented €336,000 and was calculated on the basis of the following assumptions:

Assumptions for the measurement of retirement commitments in France

• Discount rate	2.00%
• Rate of salary increases	1.24%
• Retirement age	65 years
• Employee turnover rate	8.22%

In addition, amounts payable to employees of the subsidiary Esker Italy totaled € 228,000 at 12/31/15 and break down as follows:

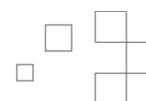
<i>In thousands of euros</i>	12/31/2014	Increases in the period	Payments in the period	Other changes	12/31/15
Severance benefits – Esker Italy	228	21	-21		228

NOTE 12: Borrowings and financial liabilities

<i>In thousands of euros</i>	12/31/15	12/31/2014
OSEO Anvar loan	0	187
Capital leases	3,072	2,880
Bank borrowings	4,245	2,046
TOTAL BORROWINGS	7,317	5,113

OSEO Anvar debt

In fiscal 2008, OSEO Anvar granted Esker France funding for innovation of €545,000 for its development project for SaaS document process automation solutions. Of this funding, €218,000 was paid by OSEO Anvar in January 2009 and July 2010 and the balance in the second half of 2011.



Except if the program is technically or commercially unsuccessful, funding granted should be reimbursed over a four-year period starting from March 31, 2012. The company started to make repayments in 2012 with €90,000 followed by €128,000 for 2013 and 140,000 and 2014. In 2015, the company repaid the balance of this aid or €187,000.

Capital leases

Borrowings recognized represent the reverse entry of capitalized leases as described above in note 4.

NOTE 13: Other payables and accruals

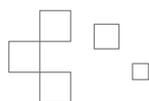
<i>In thousands of euros</i>	12/31/15	12/31/2014
Deferred revenue	6,051	6,112
Customer deposits and guarantees	2,009	1,897
Other payables	2,044	67
TOTAL OTHER PAYABLES AND ACCRUALS	10,104	8,077

Deferred revenue concerns primarily maintenance contracts for which sales are recognized on a straight-line basis over the duration of the contract.

Other debt is comprised of €1,947,000 in contingent consideration (earnout) and retention payouts on the TermSync acquisition.

NOTE 14: Net sales

<i>In thousands of euros</i>	12/31/15	12/31/2014
Software sales	2,827	3,555
Fax card sales	925	739
Contracts for product updates and maintenance	9,336	8,830
Services	8,732	5,897
Traffic	36,636	27,039
NET SALES	58,457	46,060



NOTE 15: Research and development expenses

<i>In thousands of euros</i>	12/31/15	12/31/2014
R&D expenses for the period	-5,583	-5,003
Capitalized development expenditures	3,836	3,343
Amortization of capitalized development expenditures	-2,509	-2,127
RESEARCH AND DEVELOPMENT EXPENSES NOT CAPITALIZED	-4,256	-3,787

An analysis of development expenditures recorded under intangible assets in the fiscal period ended December 31, 2015 is presented in note 2.

NOTE 16: Staff costs

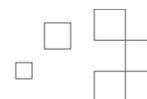
<i>In thousands of euros</i>	12/31/15	12/31/2014
Employee compensation	24,071	19,413
Social security expenses	7,883	6,460
STAFF COSTS	31,954	25,873

Breakdown of personnel by country:

	France	Germany	United Kingdom	Southern Europe	Australia, Asia	United States, Canada	TOTAL
Headcount at 12/31/15	209	7	14	17	29	99	375
Headcount at 12/31/14	180	6	14	15	22	83	320
Headcount at 12/31/13	167	6	14	14	19	87	307

NOTE 17: Net financial income

<i>In thousands of euros</i>	12/31/15	12/31/2014
Financial income	54	94
Net currency gains/(losses)	16	166
Financial expenses	-76	-40
NET FINANCIAL INCOME / (EXPENSE)	-6	220



NOTE 18: Exceptional items

<i>In thousands of euros</i>	12/31/15	12/31/2014
Exceptional income from non-capital transactions	-351	-27
Exceptional income from capital transactions	106	27
Exceptional allowances and reversals	0	53
NET EXCEPTIONAL ITEMS	-245	53

NOTE 19: Income taxes**Analysis of tax expenses**

<i>In thousands of euros</i>	12/31/15	12/31/2014
Current tax income / (expense)	-2,667	-1,265
Deferred tax income / (expense)	375	-58
TOTAL TAX EXPENSES/INCOME	-2,292	-1,323

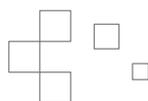
Deferred tax assets and liabilities

Changes in deferred tax assets and liabilities break down as follows:

<i>In thousands of euros</i>	DEFERRED TAX ASSETS	DEFERRED TAX LIABILITIES
Balance at December 31, 2013	1,190	(41)
Deferred taxes in the period recognized under profit or loss	-58	0
Effect of exchange rate fluctuations	0	3
Balance at December 31, 2014	1,132	(38)
Deferred taxes in the period recognized under profit or loss	436	-61
Effect of exchange rate fluctuations	13	-6
Balance at December 31, 2015	1,581	(105)

As of December 31, 2015, the Group had tax loss carryforwards not resulting in the recognition of deferred tax assets for the following amounts presented by date of expiration:

<i>In thousands of euros</i>	12/31/15	12/31/2014
2015		222
2016	212	212
2017	612	612
2018	446	446
> 2018 and indefinite carryforwards	5,937	5,631
TOTAL	7,207	7,123
<i>Of which indefinite carryforwards</i>	<i>5,292</i>	<i>5,408</i>



Reconciliation of tax

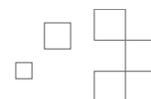
<i>In thousands of euros</i>	12/31/15	12/31/2014
Net income	6,473	4,650
- Share of income in equity-accounted associates	-61	0
- Allowances for goodwill amortization	99	0
- Tax expense/income recognized (-/+)	-2,292	-1,323
Net income before tax	8,727	5,973
Ordinary tax rate of the parent company	33.33%	33.33%
Theoretical tax expense/income (-/+)	-2,909	-1,991
Permanent tax differences	244	79
Tax savings on loss carryforwards	534	634
Non-recognition of deferred tax assets from loss carryforwards	-294	-34
Temporary tax differences	71	37
Tax base differences	-157	-91
Other	218	43
TAX EXPENSE/INCOME RECOGNIZED (-/+)	-2,292	-1,323

NOTE 20: Basic earnings per share

Basic net earnings per share and diluted net earnings per share are calculated by dividing the portion of net income reverting to the Group by the appropriate number of shares. For basic net earnings per share, this is the weighted average number of ordinary shares outstanding after excluding treasury shares held by the company.

For diluted net earnings per share, the calculation is based on the weighted average number of potential shares outstanding in the period. This includes notably shares taken into account to calculate basic net earnings per share plus dilutive stock options, warrants and bonus shares.

	12/31/15		12/31/2014	
	Net earnings (in euros)	Weighted average number of shares	Net earnings (in euros)	Weighted average number of shares
Basis of calculation for basic earnings per share	6,473,000	4,975,593	4,650,000	4,775,417
Dilutive stock options		228,475		251,219
Dilutive bonus shares		64,575		119,210
Basis of calculation for diluted earnings per share	6,473,000	5,268,643	4,650,000	5,145,846
Basic earnings per share	1.30		0.97	
Diluted earnings per share	1.23		0.90	



NOTE 21: Transactions with related parties

Commercial relations between majority-owned Esker Group companies

In connection with commercial relations between Esker Group member companies, amounts are invoiced for the following:

- Sales of solutions by the parent company to subsidiaries
- Royalties
- Marketing expense chargebacks
- Staff costs chargebacks
- Interest on advances

All these transactions are carried out on an arms-length basis and fully eliminated in the consolidated financial statements.

Other transactions with related parties

Compensation and benefits of any nature paid to corporate officers considered as related parties are presented below.

As of 12/31/15 In thousands of euros	Compensation paid (gross)	Nature of compensation paid			
		Fixed salary, fees	Variable compensation	Benefits in kinds	Attendance fees
Executive Board members	595	322	260	13	0
Supervisory Board members	84	60			24
TOTAL	679	382	260	13	24

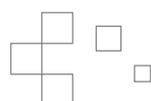
NOTE 22: Off-balance-sheet commitments and contingent liabilities

Off-balance sheet commitments and contingent liabilities are presented below.

Contractual obligations (€ thousands)	TOTAL	Payables by maturity			Expense of the period
		Less than 1 year	1 - 5 years	More than 1 year	
Long-term debt	-				
Lease finance obligations	Information disclosed in note 4				
Operating leases	3,760	1,489	2,271	0	1,630
Irrevocable purchase obligations	-				
Other long-term obligations	-				
TOTAL	3,760	1,489	2,271	0	1,630

Most lease agreements concern premises occupied by Group companies. Lease terms (from three to five years), price index clauses and renewal conditions are specific for each country.

Other leases concern inserting and postage machines in France and a fleet of vehicles.



Other commitments given and received (€ thousands)	TOTAL	Commitments by period		
		Less than 1 year	1 - 5 years	More than 1 year
Credit lines(*)	0			
Letters of credit	-			
Guarantees	-			
Irrevocable purchase commitments	-			
Pledges, mortgages and collateral	-			
Other commitments given	-			
TOTAL COMMITMENTS GIVEN				
Other commitments received				
TOTAL COMMITMENTS RECEIVED				

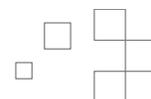
* Undrawn authorized credit lines: €500,000

NOTE 23: Fees paid to auditors and members of their network incurred by the Group

	Deloitte & Associés				Orfis Baker Tilly				Other			
	2015		2014		2015		2014		2015		2014	
	€ ex-VAT	%	€ ex-VAT	%	€ ex-VAT	%	€ ex-VAT	%	€ ex-VAT	%	€ ex-VAT	%
AUDIT												
Work as statutory auditors and certification of separate and consolidated financial statements												
- for the Issuer	38,740	55%	35,740	55%	32,260	45%	29,260	45%	0	0%	0	0%
- for fully consolidated subsidiaries	0	0%	0	0%	46,173	69%	34,063	64%	20,404	31%	19,346	36%
Ancillary assignments												
- for the Issuer												
- for fully consolidated subsidiaries												
Subtotal / Audit	38,740	28%	35,740	30%	78,433	57%	63,323	53%	20,404	15%	19,346	16%
OTHER SERVICES												
Legal, tax and employee-related services												
- for the Issuer												
- for fully consolidated subsidiaries									14,291	100%	14,006	100%
Other												
- for the Issuer												
- for fully consolidated subsidiaries												
Subtotal / Other Services	0		0		0		0		14,291	100%	14,006	100%
TOTAL	38,740	26%	35,740	27%	78,433	52%	63,323	48%	34,695	23%	33,352	25%

NOTE 24: Post-closing event

No significant events have been identified.



4.2. Statutory auditors' report on the consolidated financial statements

This is a free translation into English of the statutory auditors' report issued in the French language and is provided solely for the convenience of English speaking readers. The statutory auditors' report includes information specifically required by French law in all audit reports, whether qualified or not, and this is presented below the opinion on the financial statements. This information includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the financial statements. This report also includes information relating to the specific verification of information given in the management report and in the documents addressed to shareholders. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

In accordance with our appointment as statutory auditors at your Annual General Meeting we hereby report to you for the year, ended December 31, 2015 on:

- The audit of the accompanying consolidated financial statements of Esker
- The justification of our assessments
- The specific procedures and disclosures required by law

The consolidated financial statements have been adopted by the Executive Board. Our role is to express an opinion on these financial statements based on our audit.

I. OPINION ON THE CONSOLIDATED FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France. These standards require that we plan and perform the audit to obtain reasonable assurance that the consolidated financial statements are free of material misstatements. An audit includes examining, on a test basis as well through the use of other methods, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained provides a sufficient and appropriate basis for our audit opinion.

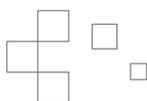
In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position and the results of consolidated operations for the year then ended in accordance with French generally accepted accounting standards.

II. JUSTIFICATION OF ASSESSMENTS

In accordance with Article L. 823-9 of the French commercial code concerning the justification of our assessments, we bring to your attention the following items

- The paragraph "Goodwill" of note 1 hereto describes the accounting rules and methods for the measurement, recognition and amortization of goodwill. We analyzed the appropriateness of these rules and methods and assessed the data and assumptions on which these estimates were based.
- The paragraph "Intangible assets" of note 1 hereto describes the accounting rules and methods for recognition, amortization and measurement of development expenditures. With respect to our assessment of the accounting policies adopted by the company, we analyzed the appropriateness of these rules and methods and their implementation and verified that Note 1 provides appropriate disclosure in this regard.
- The paragraph "income tax and deferred tax" of note 1 describes the accounting rules and methods for recognizing deferred tax assets arising from tax loss carry-forwards. We analyzed the appropriateness of these rules and methods and assessed the data and assumptions on which these estimates were based.

These assessments were made as part of our audit approach for the consolidated financial statements taken as a whole, and therefore contributed to our opinion expressed in the first part of this report.



III. SPECIFIC PROCEDURES

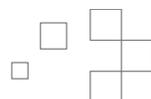
As required by law we have also verified, in accordance with professional standards applicable in France, the information relating to the Group given in the management report.

We have no matters to report with respect to the fair presentation of this information and its consistency with the consolidated financial statements.

Villeurbanne and Lyon, April 28, 2016
The Statutory Auditors
[French original signed by]

Orfis Baker Tilly
Valérie Malnoy

Deloitte & Associates
Nathalie Lorenzo Casquet

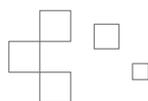


5. INFORMATION ON THE COMPANY AND ITS SHARE CAPITAL

The share capital is set at TEN MILLION FOUR HUNDRED NINETY-SIX THOUSAND TWO HUNDRED THIRTY (€10,496,230) and divided by FIVE MILLION TWO HUNDRED FORTY-EIGHT THOUSAND ONE HUNDRED FIFTEEN (5,248,115) ordinary shares of TWO EUROS (€2) per share, fully paid up.

5.1. Five-year summary of changes in the share capital

Date	Corporate action	Amount of changes in share capital		Successive capital amounts	Cumulative number of shares	Nominal value per share
		Nominal value	Share premium			
2010	Exercise of stock options and warrants	42,098	52,772	9,028,950	4,514,475	€2
04/04/11	Capital increase through the capitalization of reserves	102,000		9,130,950	4,565,475	€2
2011	Exercise of stock options and warrants	32,364	36,541	9,163,314	4,581,657	€2
06/02/12	Capital increase through the capitalization of reserves	83,000		9,246,314	4,623,157	€2
2012	Exercise of stock options and warrants	167,180	197,295	9,413,494	4,706,747	€2
07/04/13	Capital increase pursuant to stock dividend payments	34,178		9,447,672	4,723,836	€2
09/13/13	Capital increase through the capitalization of reserves	59,000		9,506,672	4,753,336	€2
2013	Exercise of stock options and warrants	294,380	674,709	9,801,052	4,900,526	€2
04/11/14	Capital increase through the capitalization of reserves	57,000		9,858,052	4,929,026	€2
2014	Exercise of stock options and warrants	333,628	400,546	10,191,680	5,095,840	€2
04/20/15	Capital increase through the capitalization of reserves	92,600		10,284,280	5,142,140	€2
2015	Exercise of stock options and warrants	211,950	370,708	10,496,230	5,248,115	€2
2015				10,496,230	5,248,115	€2



5.2. Major shareholders

At December 31, 2015, the shareholder base was as follows:

Shareholders	As of 12/31/15			As of 12/31/14		
	Number of shares	% of capital	% of voting rights	Number of shares	% of capital	% of voting rights
Jean-Michel Bérard	401,378	7.6%	13.2%	402,306	7.7%	13.8%
Thomas Wolfe	270,895	5.2%	9.0%	270,895	5.2%	9.4%
Marie Claude Bernal	19,000	0.4%	0.5%	19,000	0.4%	0.5%
Emmanuel Olivier	78,756	1.5%	1.5%	61,000	1.2%	1.6%
Kleber Beauvillain	7,100	0.1%	0.1%	7,100	0.1%	0.1%
TOTAL MANAGEMENT	777,129	14.8%	24.4%	760,301	14.9%	25.5%
Odyssée Venture	485,208	9.2%	8.1%	821,116	15.6%	14.3%
Treasury shares	189,847	3.6%		268,528	5.1%	
Registered shares	689,024	13.1%	9.7%	373,177	7.1%	10.1%
Free float	3,106,907	59.2%	51.8%	2,872,718	54.7%	50.1%
Total	5,248,115	100.0%	100.0%	5,095,840	100.0%	100.0%

To the best of the company's knowledge, there are no other shareholders other than those mentioned above that held directly or indirectly or in concert more than 5% of the share capital or voting rights at December 31, 2015.

Registered shares held in the name of the same shareholder for at least two years carry double voting rights. Finally, to the best of the company's knowledge, no shareholder agreements exist.

Changes in the shareholder structure in 2015

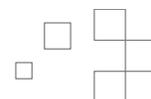
By letter dated April 2, 2015, Extendam (79 rue de la Boétie, 75008 Paris), reported having crossed below the threshold of 3% of Esker's share capital.

By letter dated June 26, 2015, Ardian France (20 place Vendôme, 75001 Paris) reported having crossed below the threshold of 3% of Esker's share capital and holding 2.31% of the company's share capital.

By letter dated July 21, 2015, Financière de l'Echiquier (53 avenue d'Iéna, 75116 Paris), reported having crossed above the threshold of 3% of Esker's share capital and holding 182,000 shares representing 3.48% of the company's share capital.

By letter dated August 7, 2015, Financière de l'Echiquier (53 avenue d'Iéna, 75116 Paris), reported having crossed above the threshold of 3% of Esker's share capital and holding 198,300 shares representing 3.13% of the company's share capital.

By letter dated September 22, 2015, Aviva Investors France SA (24-26 rue de la Pépinière, 75008 Paris), reported having crossed below the threshold of 3% of Esker's share capital and holding 150,017 shares of the company.



5.3. Memorandum of incorporation and articles of association

Corporate purpose

In accordance with article 2 of the Articles of Association, the Company's purpose is:

- the design, development, and operation of information technology products,
- the provision of the mail services for third parties including printing, envelope stuffing, and postage metering,
- fax, SMS, and email transmission services for third parties,
- more generally, any processing (sending, receiving, archiving) of documents or data for third parties, regardless of their format or means of transmission,
- all industrial, commercial, financial, securities and real estate activities relating directly or indirectly to the object of the Company or to any similar or related purposes,
- participation through all means in undertakings or companies created, or to be created, that relate to its corporate purpose, and notably by the creation of new companies, capital contributions, partnerships, or by way of subscription, or acquisition of shares or ownership rights, alliances, joint ventures or economic interest groupings (*groupement d'intérêt économique*) or lease management arrangements.

Provisions of the issuer's articles of association with respect to members of corporate governance bodies

The articles of association updated on January 2, 2016 describe the operation of the Company's corporate governance bodies. The rules governing the Executive Board and Supervisory Board are those established by the French commercial code.

The Supervisory Board's rules of procedure (charter) signed on June 12, 2002 set forth the conditions for participation by its members in meetings through videoconferencing. On that basis, Supervisory Board members participating in the meeting through videoconferencing are considered present for the purpose of calculating the quorum and majority. However, use of videoconferencing may not be used for adopting the following decisions:

- Appointment of Executive Board members (article L.225-59 of the French commercial code);
- Removal of Executive Board members (article L.225-61 of the French commercial code);
- Appointment of the Chairman and Vice Chairman of the Supervisory Board and setting their compensation (article L.225-81 of the French commercial code).

Rights, preferences and restrictions attaching to each class of existing shares

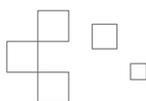
All shares belong to the same class. Article 9 of the articles of association stipulates in particular that each share shall entitle its holder to a portion of the corporate profits proportional to the share of the capital that it represents, taking into account any amortized and unamortized, fully paid up or not, of the nominal value of the shares and the rights of shares of different class; and in particular, subject to these conditions, any share grants entitlement, during the company's term, as in the event of liquidation, to the payment of an identical net amount for any distribution or redemption, so that as applicable all tax exemptions or credits and all taxes which can be incurred by the company shall be aggregated among all shareholders.

Actions necessary to change the rights of holders of shares indicating where the conditions are more significant than is required by law

Actions necessary to change the rights of shareholders are those provided by law.

General Meetings

According to articles 20 to 22 of the articles of association, general meetings are called and conduct proceedings according to the conditions provided by law. These meetings are to be held at the registered office or at any other venue indicated in the notice of meeting. General meetings are comprised of all shareholders regardless of the number of shares they hold, subject to the provisions of statute. All shareholders are entitled to as many votes as the shares they



possess or represented, without restrictions other than those provided for by law. The articles of association also provide for the possibility of double voting rights.

Provisions that would delay, defer or prevent a change in control of the issuer

No provisions exist under the articles of association that would delay, defer or prevent a change in control of the company.

The crossing of an ownership threshold

In accordance with article 13 of the articles of association, in addition to the legal obligation of informing the Company and the French market regulators of holding certain percentages of capital, any shareholder, a natural person or legal entity, acting alone or in concert, who acquires proportion of the share capital equal to 3%, or whose holdings or voting rights fall below or rises above this threshold, must notify the Company of the total number of shares of voting rights possessed within fifteen days after crossing this threshold by registered letter with acknowledgment of receipt.

Failure to inform the Company within fifteen days will result in the loss of voting rights for a period of two years after the date on which the requisite disclosure is finally made, if the failure to disclose has been duly noted and recorded in the minutes of the General Meeting and if requested by one or more Shareholders separately or together holding at least 3% of the company's share capital or voting rights.

Procedure for changing the capital

The conditions for modifying the share capital provided for by article 10 of the articles of association are those of French law.

5.4. Statutory information on Esker S.A.

Corporate name

Esker

Place of incorporation and registration number

Companies Register (RCS) No: The company is registered in Lyon under number B 331 518 498

APE code: 5829 C

Date of incorporation and term

Date of incorporation: February 7, 1985

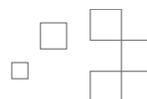
Term: 50 years from the date of incorporation in the registry of companies saving early dissolution or extension provided for by law.

Registered office and legal form

Registered office: 10 rue des Emeraudes, Immeuble "GEO CHAVEZ" - 69006 Lyon – France - +33 (0)4 72 83 46 46

Legal form: *Société Anonyme* (a French corporation) incorporated under French law with an Executive Board and a Supervisory Board, governed by the provisions of the French commercial code.

Country of origin: France



5.5. Employees

5.6.1. Headcount and information on human resources

Executive Board

Esker's management team progressively assembled under the leadership of one of the company's founders, Jean-Michel Bérard today includes seven members:

- **Jean-Michel Bérard,**
54, Chairman of the Executive Board

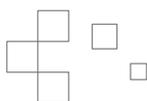
Jean-Michel Bérard received his computer engineering degree in 1984 from the Lyon Institut National des Sciences Appliquées. Shortly thereafter, he co-founded Esker. Since the founding, he has been primarily responsible for product strategy, implementing development programs that respond quickly to changing technology trends and creating comprehensive, market-ready products. In his current role as president of the board of directors and Worldwide Chief Executive Officer, Jean-Michel is responsible for defining and executing Esker's business plan. He also represents Esker to potential partners, the European technological community, IT analysts and the trade press. Jean-Michel was named the 2013 Engineer Entrepreneur of the Year by the weekly French news magazine l'Usine Nouvelle and Entrepreneur of the Year for the French Rhône-Alpes region in 2013 by EY. He was also named Entrepreneur of the Year for France in 2000 by EY.
- **Emmanuel Olivier,**
48, Chief Operating Officer and Member of the Executive Board

Emmanuel is leading Esker's operations worldwide, covering sales, marketing and consulting activities. He also supervises Esker finances and is in charge of the company's financial communication and investor relations. Emmanuel joined Esker in 1999 as Chief Financial Officer and was promoted to his current role in 2003. Prior to joining Esker, he worked as an audit manager for the international firm Ernst & Young for seven years, including two years in Philadelphia, PA, USA. Emmanuel was awarded a Master's degree in Business Administration in 1991 from the Ecole Supérieure de Commerce of Nice Sophia Antipolis and earned the CPA (Certified Public Accountant) qualification from the state of Pennsylvania.
- **Jean-Jacques Bérard,**
50, Executive Vice President, Research and Development and invited member of the Executive Board

Jean-Jacques Bérard received his engineer's degree in 1988 from Lyon Institut National des Sciences Appliquées. Before coming to Esker, he was research and development (R&D) team manager at Andersen Consulting in Lyon. He joined Esker in 1995, first as project leader for the SQL team and then advancing to R&D manager in November 1997. In 1998, he was named Executive Vice President, Research and Development. In this capacity, Jean-Jacques Bérard implements product strategy and oversees product planning and development.
- **Eric Bussy,**
41, Director of Marketing and Product Management and invited member of the Executive Board

Eric Bussy received his master's degree in business administration from the Ecole Supérieure de Commerce IDRAC Lyon, France. Before joining Esker, he spent 3 years as an International Product Manager working on projects for France Air and Melink Corporation in Cincinnati, OH, USA. He then served as Field Marketing Manager for Seal's and Cdtel in France during 2 years. He joined Esker in 2002 as the Director of Marketing and Communication. His current activities include development of strategic products, services and solutions. In 2005, his responsibilities were expanded as Director of Product Management.
- **Steve Smith,**
54, US Chief Operating Officer and invited member of the Executive Board

Steve Smith joined Esker in 2003 as the Director of Sales and is currently responsible for all operations in North and Latin America. Upon graduating in 1984 from the University of Wisconsin - Whitewater with bachelor's degrees in Marketing and in Finance, Steve spent 2 years in sales at Pitney Bowes, and 17 years at Equitrac Corporation where he was the Senior Vice President of Worldwide Sales.
- **Eric Thomas,**
49, Vice President of Business Development and invited member of the Executive Board



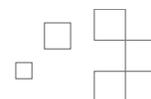
Eric Thomas joined Esker in 1997 and started as Managing Director for France and then South European Director during 3 years. When Esker launched Esker DeliveryWare, In 2001, Eric’s mission changed to Director of European Business Development. In this position, Eric actively participated in the successful launch of Esker SaaS offer today called FlyDoc / Esker on Demand. After Business Administration studies in the USA (BA), Eric started his career at France Telecom EGT where he successfully held various positions in sales and sales management.

▪ **Anne Grand-Clément,**
45, WW Vice President of Professional Services and Technical Support, and invited member of the Executive Board

Holder of three undergraduate degrees (AES, MASS & LEA), Anne Grand-Clément received her Master’s Degree in Computer Science Applied to Business Administration (MIAGE) in 1991. Before coming to Esker, she spent 5 years as a consultant at Arthur Andersen Consulting. Anne then worked for Cincom as a Major Accounts Manager for 4 years. She joined Esker in the year 2000, first as manager of the French Professional Services department, and then advancing to European Technical Support Manager. In 2007, Anne was named Worldwide Director of Professional Services and Technical Support.

Esker personnel

	France	Germany	United Kingdom	Southern Europe	Australia, Asia	United States, Canada	TOTAL
Headcount at 12/31/15	209	7	14	17	29	99	375
Headcount at 12/31/14	180	6	14	15	22	83	320
Headcount at 12/31/13	167	6	14	14	19	87	307



6. RESPONSIBILITY STATEMENT FOR THE REGISTRATION DOCUMENT

Responsibility statement for the registration document

Jean-Michel Bérard – Chairman of the Executive Board

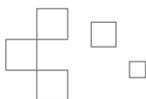
Responsibility statement

"I declare, after having taken all reasonable measures in this regard that to the best of my knowledge the information in this registration document is accurate and there are no omissions likely to alter its import.

I received a completion of work letter from the Statutory Auditors confirming that they have verified the information relating to the financial position and the financial statements set out in this registration document and read the whole registration document. This letter does not contain any emphasis of matter paragraphs.

The statutory auditors' reports on the historical financial information presented in the original French language version of this document are reproduced in section 4.2 of this document. The report on the consolidated financial statements contains no qualifications."

Jean-Michel Bérard
Chairman of the Executive Board





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