Leading Provider of Language Translation Technologies

First Semester 2009 Interim Report

- **Consolidated Sales of 3,858 K€ +6.1%**

- **Operating Income: - 111 K€**

July 31st 2009 – SYSTRAN, the leading provider of language translation technologies, today announced its consolidated financial results for the first semester ended June 30th, 2009.

Consolidated and Audited Accounts (in K€)	1st semester 2009	1st semester 2008	Annual change 2009 / 2008
Sales	3,858	3,637	+6.1%
Operating Income	-111	39	na
%	na	+1.1%	
Net Income - Group's share	-317	-322	+1.25%
%	na	na	

In spite of the difficult economic environment, consolidated sales for the first half of the year amounted to 3,858 K€, an increase of 6.1% as compared with the first semester 2008, due to the significant growth of Professional Services.

Operating income amounted to -111 K€ as compared with 39 K€ in 2008. During this period SYSTRAN continued to invest in R&D and sales to support the launch of its new version SYSTRAN Enterprise Server 7.

Net loss amounted to 317 K€ as compared with a net loss of 322 K€ for the six first months of 2008.

The Company's cash position was 8,852 K€ on June 30th, 2009, as compared with 9,534 K€ on December 31st, 2008.
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Activities - First Semester 2009

In K€	1st semester 2009	In % of total	1st semester 2008	In % of total	Annual change 2009 / 2008
Software Publishing	**2,270**	*58.8%*	**2,927**	*80.5%*	*- 22.4%*
Professional Services	**1,588**	*41.2%*	**710**	*19.5%*	*+ 123.7%*
Consolidated Sales	**3,858**	*100.0%*	**3,637**	*100.0%*	*+ 6.1%*

Sales generated from software licenses totaled 2,270 K€, a decrease of 22.4% as compared with the first semester of 2008. This decrease is the result of a decline in Desktop Product sales as the current version 6 desktop products near the end of its lifecycle.

Professional Services sales amounted to 1,588 K€ as compared with 710 K€ for the same period last year, an increase of 123.7%. This reflects the impact of new orders received from the US Federal Government in 2008.

During the first semester of 2009 SYSTRAN launched the new version 7 of its Server Products including its new hybrid machine translation engine. Specially designed to meet enterprises needs, this new version provides better translations by combining the advantages of linguistic technology with self-learning statistical techniques. This launch occurred during the second quarter and had little impact on this period's license revenue.

Outlook

SYSTRAN's efforts are now focused on the sale and marketing of the version 7 Server Products, expected to drive revenue growth from Corporate customers.

The growth demonstrated during the first half of the year should continue, without taking into account the impact of the Euro / US Dollar foreign exchange translation,

We expect version 7 launch to increase license sales during the second quarter and be equivalent or higher to 2008.

Professional Services sales for the second semester should be equivalent or slightly lower than the second semester of 2008.

As a result, the current operating income for the second half of 2009 and the year 2009 should be positive. Nevertheless, there is a high degree of uncertainty concerning this outlook because of the current economic environment and the absence of visibility on the Euro / US Dollar exchange rate.

About SYSTRAN

SYSTRAN is the market leading provider of language translation software products and solutions for the desktop, enterprise and Internet.

Use of SYSTRAN products and solutions enhance multilingual communication and increase user productivity. SYSTRAN delivers real-time language solutions for search, content management, online customer support, intra or inter company collaboration, and eCommerce.

With the ability to facilitate communication in 52 language combinations and in 20 vertical domains, SYSTRAN's software is the choice of leading global corporations, portals including Apple, Yahoo! and AltaVista, and public agencies such as the US Intelligence Community and the European Commission.

SYSTRAN has been pioneering advances in machine translation for over four decades. Its latest achievement, SYSTRAN Hybrid MT, combines the predictability and language consistency of rule-based machine translation with the fluency of statistical MT.

SYSTRAN is headquartered in Paris, France with a North American office located in San Diego, California, USA.

SYSTRAN (Code ISIN FR0004109197, Bloomberg: SYST NM, Reuters: SYTN.LN) is listed on EuroNext Paris, Compartiment C.

For more information, visit www.systransoft.com

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Results for the third quarter of 2009 will be announced on November 6th, 2009.

This Press Release is available for download at:
http://www.systransoft.com/systran/investors/press-releases

Half-Year financial report is available for download at:
http://www.systransoft.com/systran/investors/financial-report/half-year

(In K€)	1st semester 2009 (6 months)	1st semester 2008 (6 months)
Net sales	**3,858**	**3,637**
Other operating revenue	0	0
Total revenue from operations	**3,858**	**3,637**
Cost of sales and other external expenses	(1,289)	(1,304)
Taxes and duties	(95)	(94)
Wages and salaries	(2,512)	(2,029)
Amortization (net)	(149)	(162)
Other income / (expenses)	77	(4)
Current operating income	**(110)**	**44**
Other operating income / (expenses)	(1)	(5)
Operating income	**(111)**	**39**
Financial income from cash activities	94	(273)
Financing expenses	(6)	(6)
Net finance costs	**88**	**(279)**
Profit before income taxes	**(23)**	**(240)**
Income tax expenses	(287)	16
Profit for the period	**(310)**	**(224)**
Other comprehensive income / expenses	(7)	(98)
Total comprehensive income for the period	**(317)**	**(322)**
Total comprehensive income for the period attributable to: owners of the company		
Owners of the company	(310)	(224)
Minority interest	0	0
Total comprehensive income for the period	**(317)**	**(322)**
Basic earnings per share	**(0.03)**	**(0.03)**
Diluted earnings per share	**(0.03)**	**(0.03)**