

### Interim Report

Helsingborg April 25, 2007

President and CEO, Jan Andersson, will present and comment the report during ReadSoft's Annual Shareholders Meeting in Helsingborg, April 25, at 3 pm.  
Media that wish to participate need to announce this to Vice President Corporate Communications, Jonna Opitz, +46 (0)42 – 490 21 08/ jonna.opitz@readsoft.com

Interim report January – March 2007

## License sales increase by 19 percent and the focus on growth continues

- The turnover for the first quarter increased by 7 percent to SEK 109.2 (102.3) million
- Results after tax was SEK -2.6 (0.8) million
- Results per share after tax was SEK -0.08 (0.03) kronor
- Cash-flow from the current business was SEK 9.5 (18.6) million

### KEY DEVELOPMENTS DURING THE FIRST QUARTER OF 2007

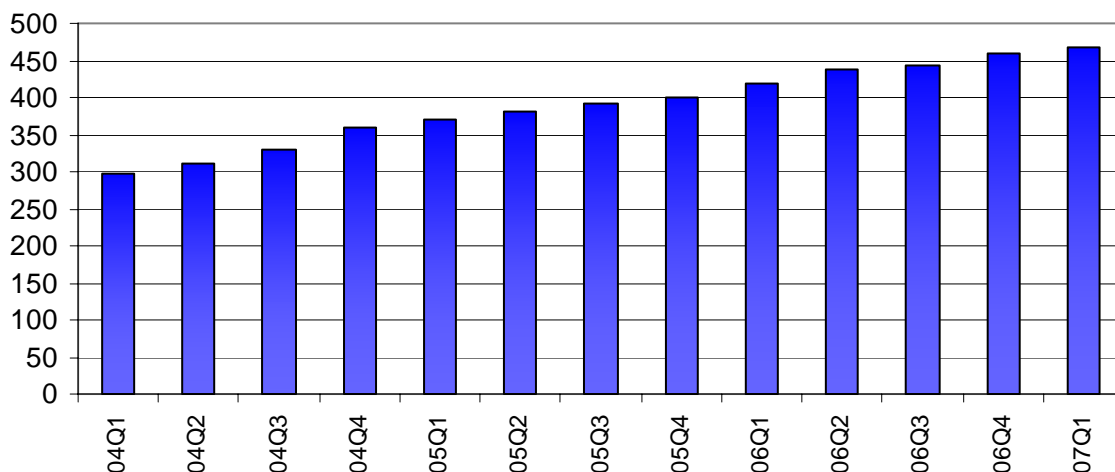
During the first quarter of 2007 ReadSoft has started an expansion of the sales organization internationally by employments primarily in the UK, USA, France and Germany. The sales force has increased by approximately 10 percent since the beginning of the year. An organization is also being established in Asia where a Managing Director working out of Kuala Lumpur, Malaysia has been employed.

During the first quarter of 2007 ReadSoft has closed a number of important deals. One of these was with the Norwegian Post (Posten Norge), one of the largest service bureaus in Norway. They are expanding their use of ReadSoft's software for automated invoice handling. Posten Norge implements the software to handle more than two million invoices per year. The deal, which is worth approximately €200,000 is ReadSoft's largest invoice processing deal to date in Norway, when it comes to sheer volume of invoices.

Another deal was closed with a French company who holds world leading brands within the area of domestic equipment. After using ReadSoft DOCUMENTS for Invoices for some time in parts of the organization, the company will now expand the solution to the entire group. The order is initially worth approximately EUR 330,000.

During the period the roll out of a new Document Automation system from ReadSoft was made for Puig Beauty & Fashion Group (Grupo Puig), one of the main manufacturers and distributors of perfumes, cosmetics and luxury goods in Spain. The system will automate the capture and handling of paper invoices and integrate into the customers existing SAP system. The new solution will process more than 100,000 supplier invoices per year.

Turnover 12 months rolling (MSEK)



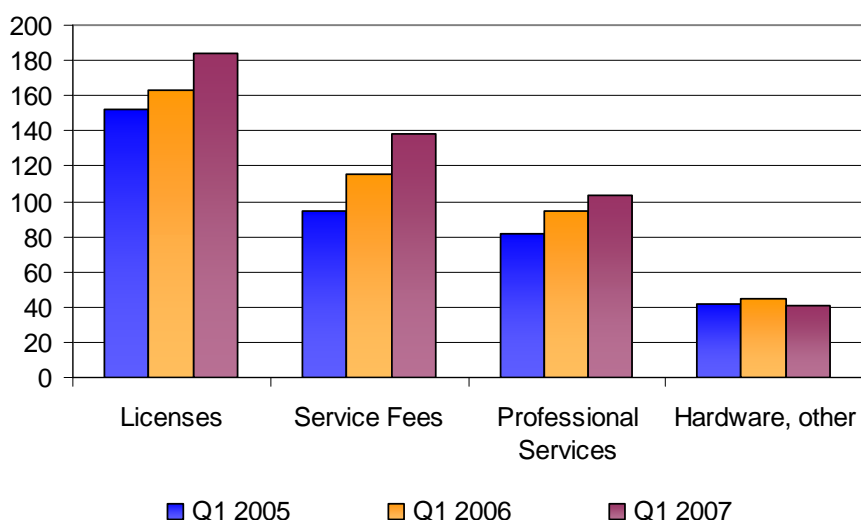
## TURNOVER AND RESULTS DURING THE FIRST QUARTER OF 2007

During the first quarter, the revenue amounted to SEK 109.2 (102.3) million. Results after interest income for the period was SEK -0.6 (1.2) million. The operating margin for the quarter was -0.5 (1.2) percent. Results after tax were SEK -2.6 (0.8) million.

The license revenue increased by 19 percent and amounted to SEK 37.9 (31.8) million during the first quarter 2007, which is 35 (31) percent of the total revenue. Out of the total license revenue for the first quarter, ReadSoft DOCUMENTS for Invoices represented SEK 27.5 (22.5) million while SEK 10.4 (9.3) million were from ReadSoft DOCUMENTS for Forms. Service fees amounted to SEK 33.4 (30.5) million. In addition, revenues for training and customer-specific development were SEK 27.2 (25.8) million. Hardware sales (scanners) amounted to SEK 7.8 (10.9) million. Other revenues amounted to SEK 2.9 (3.2) million.

In Scandinavia the sales totaled SEK 31.3 (30.2) million. The company's sales in the remaining part of Europe amounted to SEK 57.9 (52.9) million. In the U.S. and the rest of the world the sales amounted to SEK 20.0 (19.2) million.

Revenue distribution 12 months rolling (MSEK)

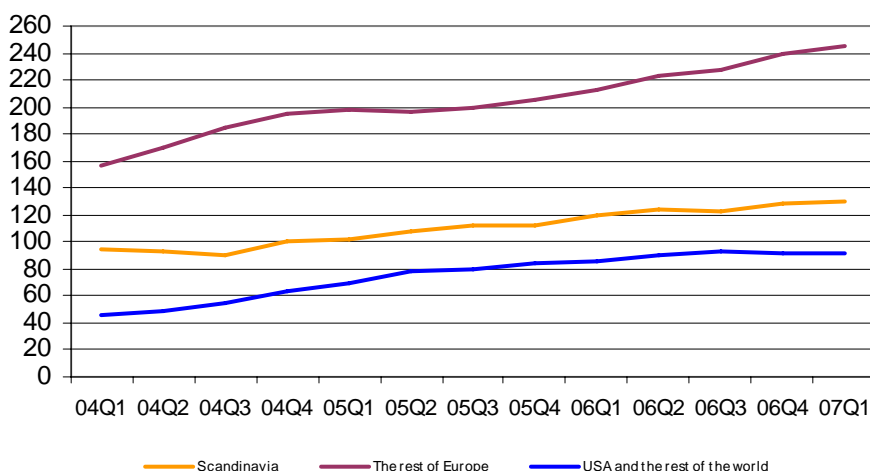


## TURNOVER AND RESULTS ROLLING 12 MONTHS, APRIL 2006 – MARCH 2007

During the period April 2006 until March 2007, the revenue amounted to SEK 466.7 (419.2) million. Results after interest income was SEK 45.9 (47.6) million. The operating margin was 9.8 (11.4) percent. Results after tax were SEK 35.4 (47.3) million.

Total revenue increased by 11 percent and license revenue by 12 percent.

Revenue distribution 12 months rolling (MSEK)



The license revenue consists primarily of sales of one-time payments for the right to use our in-house developed software. The license revenue amounted to SEK 184.0 (163.6) during the period, which is 39 (39) percent of the total revenue. Out of the total license revenue, ReadSoft DOCUMENTS for Invoices represented SEK 138.9 (120.6) million while SEK 45.1 (43.0) million were from ReadSoft DOCUMENTS for Forms. Service fees amounted to SEK 138.7 (115.5) million. In addition, revenues for training and customer-specific development were SEK 103.3 (94.9) million. Hardware sales (scanners) amounted to SEK 32.3 (36.4) million. Other revenues amounted to SEK 8.4 (8.8) million.

In Scandinavia the sales totaled SEK 129.9 (119.9) million. The company's sales in the remaining part of Europe amounted to SEK 244.8 (213.4) million. In the U.S. and the rest of the world the sales amounted to SEK 92.0 (85.9) million.

#### **STAFF**

As of March 31, 2007, the ReadSoft staff amounted to 401 (311). Of the increase 54 came from acquisitions.

#### **INVESTMENTS**

Investments in fixed assets during the first quarter 2007 amounted to SEK 2.5 (2.3) million and consisted of the acquisition of computer and office related equipment. Depreciations of tangible assets amounts to SEK 1.4 (1.1) million during the first quarter.

Of the research and development costs during the first quarter SEK 9.8 (6.9) million was capitalized. Depreciations of product development expenses carried forward amounts to SEK 4.1 (1.6) million during the period.

#### **FINANCIAL POSITION**

The cash and bank balances for the group as of March 31 was SEK 51.4 (61.7) million. Bank overdraft facilities granted was SEK 47.0 (43.4) million, and used was SEK 2.6 (0) million. The cash-flow from the current business for the first quarter was SEK 9.5 (18.6) million. The solidity was 47.9 (48.3) percent on March 31, 2007.

#### **SHAREHOLDER INFORMATION**

At the end of the period, the number of shareholders amounted to 6,573 (7,161). Out of the company's total capital, 46 (45) percent were owned by Swedish and foreign institutions, 25 (26) percent by the company's founders, and 29 (29) percent by private persons, including staff. At the end of the period, Swedish shareholders held 88 (87) percent and foreign shareholders held 12 (13) percent of the total share value.

#### **THE PARENT COMPANY**

The parent company's net sales for the first quarter 2007, including inter-company posts, amounted to SEK 38.4 (35.8) million. The result after financial items was SEK -1.5 (-5.1) million.

Investments in fixed assets in the parent company amounted to SEK 1.0 (0.8) million. The parent company's cash and bank balances as of March 31, was SEK 4.0 (15.8) million. Bank overdraft facilities granted was SEK 35.0 (35.0) million, and used was SEK 0 (0) million. Equity was SEK 178.7 (120.5) million, resulting in a solidity of 70.4 (68.8) percent.

#### **ACCOUNTING POLICY**

This interim report is presented in accordance with International Financial Reporting Standards (IFRS), the IAS 34 Interim Reporting, with Redovisningsrådets recommendation RR31, Interim Reporting for Groups and RR32 concerning financial reporting by legal entities.

The same accounting policies that were used in the latest annual report, 2006, have been used in this interim report.

#### **GOING FORWARD**

We estimate that the market conditions continue to be good and that ReadSoft holds a strong position on the market. We plan to extend our sales force by approximately 25 percent during 2007. This will initially effect our result but is expected to have a positive impact on the growth as well as the result at the end of the year. ReadSoft's long-term financial targets are 20-25% annual growth and an operating margin (EBITDA) of at least 15%.

#### **UPCOMING FINANCIAL REPORTS**

- The Interim Report January – June 2006 will be presented on August 13<sup>th</sup> 2007
- The Interim Report January – September 2006 will be presented on October 22<sup>nd</sup> 2007

*The Board of Directors ReadSoft AB*

*For more information contact President/CEO Jan Andersson +46-42-490 21 00, mobile +46-708-37 66 00 or VP Corporate Communication, Jonna Opitz at +46 42 490 21 08 or CEO Jan Bertilsson at +46 42 490 21 43. Please visit <http://www.readsoft.com/>*

## Group's income statements in summary

Amounts in SEK million	Jan-Mar 2007	Jan-Mar 2006	Rolling 12 months Apr 06-Mar 07	Full Year 2006
<b>Net sales</b>	<b>109.2</b>	<b>102.3</b>	<b>466.7</b>	<b>459.8</b>
Capitalization of R&D expenditure	9.8	6.9	31.2	28.3
	119.0	109.2	497.9	488.1
Commodities	-11.8	-20.6	-71.8	-80.6
Personnel costs	-73.8	-56.2	-263.9	-246.3
Other external costs	-28.6	-25.3	-96.0	-92.7
Other operating income/expences	1.5	-2.8	1.2	-3.1
Share of loss in associated companies	-	-0.5	-1.6	-2.1
Depreciations on fixed assets	-1.4	-1.1	-5.1	-4.8
Depreciations on product dev expenses carried forward	-4.1	-1.6	-12.6	-10.1
Depreciations of intangible assets	-1.4	-	-2.7	-1.3
<b>Operating income</b>	<b>-0.6</b>	<b>1.1</b>	<b>45.4</b>	<b>47.1</b>
<b>Financial income and expenses</b>				
Interest income	0.0	0.1	0.5	0.6
<b>Income after financial items</b>	<b>-0.6</b>	<b>1.2</b>	<b>45.9</b>	<b>47.7</b>
Tax	-2.0	-0.4	-10.5	-8.9
<b>Net profit/loss after taxes</b>	<b>-2.6</b>	<b>0.8</b>	<b>35.4</b>	<b>38.8</b>

## Group's balance sheet in summary

	March 31 2007	March 31 2006	Full Year 2006
<b>Assets</b>			
<b>Fixed assets</b>			
Software developed in house	93.3	68.6	87.4
Goodwill	49.5	-	49.5
Other fixed assets	73.6	30.6	73.8
<b>Total fixed assets</b>	<b>216.4</b>	<b>99.2</b>	<b>210.7</b>
<b>Current assets</b>			
Accounts receivables	133.7	121.2	164.0
Current assets	51.4	61.7	54.7
Other current assets	104.8	73.8	87.7
<b>Total current assets</b>	<b>289.9</b>	<b>256.7</b>	<b>306.4</b>
<b>Total assets</b>	<b>506.3</b>	<b>355.9</b>	<b>517.2</b>
<b>Equity and liabilities</b>			
Equity	242.3	171.8	238.6
Long-term liabilities	47.9	0.4	46.1
Accounts payable	16.2	29.1	20.0
Other short-term liabilities	199.9	154.6	212.5
<b>Total equity and liabilities</b>	<b>506.3</b>	<b>355.9</b>	<b>517.2</b>

## Change in equity

	<b>Jan-Mar 2007</b>	<b>Jan-Mar 2006</b>	<b>Full Year 2006</b>
Opening balance	238.6	169.2	169.2
New issue	-	-	33.7
Translation difference	6.3	1.8	-3.1
Result for the period	-2.6	0.8	38.8
<b>Closing balance</b>	<b>242.3</b>	<b>171.8</b>	<b>238.6</b>

## Cash-flow statements in summary

	<b>Jan-Mar 2007</b>	<b>Jan-Mar 2006</b>	<b>Full Year 2006</b>
Cash-flow before changes in working capital	4.3	5.2	60.9
Changes in working capital	5.2	13.4	-16.1
<b>Cash-flow from the current business</b>	<b>9.5</b>	<b>18.6</b>	<b>44.8</b>
Cash-flow from investment activities	-12.6	-8.8	-50.6
Cash-flow from financial activities	-0.2	-0.1	8.6
<b>Change in liquid assets</b>	<b>-3.3</b>	<b>9.7</b>	<b>2.8</b>

## Three-year summary and key data. Group

	<b>Jan-Mar 2007</b>	<b>Jan-Mar 2006</b>	<b>Full Year 2006</b>
Revenue	109.2	102.3	459.8
Revenue growth %	6.7	21.8	14.7
Operating income	-0.6	1.1	47.1
Income after financial items	-0.6	1.2	47.7
Net result after tax	-2.6	0.8	38.8
Operating margin %	-0.5	1.1	10.2
Profit margin financial items %	-0.5	1.2	10.4
Profit margin after tax %	-2.4	0.8	8.4
Solidity %	47.9	48.3	46.1
Capital employed	253.8	172.3	247.9
Return on equity, %	-1.3	0.4	19.0
Return on total capital, %	-0.1	0.3	10.9
Net dept/equity ratio	-0.17	-0.36	-0.19
Net interest bearing liabilities	-40.0	-61.1	-45.5
Number of employees at end of period	401	311	381
Number of shares at close of period, thousands	32488	31259	32488
Equity per share, (SEK)	7.46	5.50	7.49
Earnings after financial items per share (SEK)	-0.02	0.04	1.50
Earnings after tax per share (SEK)	-0.08	0.03	1.22
Share price at close of period (SEK)	24.80	28.90	27.40

## Statement of accounts in geographical areas

	Scandinavia			The rest of Europe			U.S. and the rest of the world		
	Jan-Mar 2007	Jan-Mar 2006	Full Year 2006	Jan-Mar 2007	Jan-Mar 2006	Full Year 2006	Jan-Mar 2007	Jan-Mar 2006	Full Year 2006
Revenue	31.3	30.2	128.8	57.9	52.9	239.8	20.0	19.2	91.2
Result before financial items	8.2	9.5	49.2	10.9	11.1	65.4	0.0	1.9	12.7
Profit margin %	26.2	31.5	38.2	18.9	20.9	27.3	0.0	9.8	13.9
Assets	77.1	63.5	95.8	162.3	126.4	159.7	47.3	51.4	49.9
Liabilities	51.9	44.3	60.5	77.0	67.3	64.3	23.6	22.1	24.3
Investments	0.2	0.1	1.1	0.6	0.9	1.7	0.7	0.5	1.0
Depreciation	0.5	0.1	0.8	0.4	0.3	1.2	0.2	0.2	0.9

	Parent Company incl. Group adjustments			Total		
	Jan-Mar 2007	Jan-Mar 2006	Full Year 2006	Jan-Mar 2007	Jan-Mar 2006	Full Year 2006
Revenue	-	-	-	109.2	102.3	459.8
Result before financial items	-19.8	-21.4	-80.2	-0.6	1.1	47.1
Profit margin %	-	-	-	-0.5	1.1	10.2
Assets	219.6	114.5	211.8	506.3	355.9	517.2
Liabilities	111.5	50.4	129.5	264.0	184.1	278.6
Investments	10.8	7.7	31.8	12.3	9.2	35.6
Depreciation	0.7	2.0	13.3	1.8	2.6	16.2

### Learn more about ReadSoft on [www.readsoft.com](http://www.readsoft.com)

ReadSoft is the world's leading supplier of software for Document Automation. The company develops and markets a complete software platform for Document Automation named ReadSoft DOCUMENTS. The vision is to free businesses everywhere from manual document handling. Since its founding in 1991, ReadSoft has developed into a global group with offices in 14 countries in Europe, North and South America and Australia, and a large number of local and global partners. ReadSoft is headquartered in Helsingborg, Sweden, and its primary R&D facility is in Stockholm. ReadSoft has been listed on the Stockholm stock exchange since 1999. ReadSoft AB. Södra Kyrkogatan 4, 252 23 Helsingborg. Sweden. Phone: +46-(0)42 – 490 21 00, Registration number: 556398-1066