



Avanquest® software



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AVANQUEST SOFTWARE AND EMME JOIN TO CREATE A WORLD LEADER IN SOFTWARE PUBLISHING

AVANQUEST SOFTWARE ANNOUNCES 'ENTENTE CORDIAL' WITH EMME, STRONG 2006 SALES AND NEW VISUAL IDENTITY

Avanquest Software, a leading developer and global publisher of best-selling personal and professional software, today announced a major new step in its development through an agreement for a friendly takeover of Emme, one of Europe's leading publishers of interactive multimedia content. The announcement comes on the heels of Avanquest Software's acquisition of Nova Development in January, successful sales figures for 2006 and a new visual identity.

The Emme Group is a software publisher specialising in interactive multimedia content. It has positioned itself in the key segments of education, culture and lifestyle and offers an extensive portfolio of over 1200 titles through its various different distribution channels.

Emme specialises in the creation and production of editorial content (independently or with partners), technical development (carried out within its internal studios or by subcontractors), the publishing and marketing of products that have been developed internally or acquired, as well as the commercialisation of software sold in boxes or as licenses.

While Emme is a specialist software publisher in the development of interactive content for the consumer, Avanquest is a developer and publisher of communications, security and utility software designed for individuals, small and medium sized companies as well as large companies. The new, expanded group will immediately feature one of the widest and most diversified catalogues available for each territory, and the sales force throughout the distribution network will be greatly increased.

Avanquest Software and Emme will share the same sales channels and will benefit from the expertise that each has developed over the years within certain market segments.

E-commerce will also provide a strong potential for growth. Avanquest's e-commerce strategy has already allowed the company to realise 13% of its sales over the internet. Selling the combined product catalogue over the Internet worldwide represents a strong growth driver for the new, expanded Group.

The European organisations for Avanquest and Emme are completely complementary and will reinforce each other. Avanquest Software has a strong presence in the United Kingdom, which accounts for nearly 20% of its sales. It also operates with locations in Germany and France, and over the last 2 years has expanded into Spain and Italy. Emme is already well established in France and has expanded into Great Britain, which accounts for 32% of its sales and where it holds a leading position through its subsidiary, GSP. The Emme group is also present in Germany, Belgium and Spain, and more recently in the United States.

As both share the same company culture, the integration of the two teams will occur naturally. Jean Guetta, president of the Emme group will be a member of the Board of Directors for

Avanquest Software and Oliver Wright, Emme Managing Director will join the group's Executive Committee and serve as General Manager for Europe. The Emme management team will strengthen the Avanquest Software team, bringing new talents into the new group and facilitating the integration process.

Avanquest aims to become a world leader in software publishing

The addition of Emme to the Group is a key step in achieving the goals of creating and consolidating, over time, Avanquest Software's position as a world leader in software publishing, with an unmatched product offering and sales force to cover all distribution channels, across all territories.

Thanks to its acquisition of Nova Development, Avanquest Software is already positioned as one of the Top 5 consumer software publishers in the United States. In only a few years, Emme has been able to take over a leading position in the European market. The combination of the two companies will permit the group to immediately place itself among the top 3 software publishers in the United Kingdom, France and Germany (excluding Microsoft, source NPD, GFK, Chartrack).

Olivier Wright, Emme Managing Director comments:

"Integrating a software publisher with operations throughout the world, with content and technologies complementary with those of the Emme Group, will permit us to reinforce our position as the European leader and to continue our expansion in the United States. Joining our forces, when we both share the same objective of profitable growth, is the logical result of developments which began almost 10 years ago. It will permit us to strengthen our product offering and to benefit from the strong presence of the Avanquest Group in the United States and from its expertise in the Internet field. We are proud to join Avanquest in order to build together a leader for the future."

Bruno Vanryb, Founder and CEO of Avanquest Software, adds: "Emme's track of record is impressive. Listed on the stock market for only six years, the company, under the leadership of Jean Guetta and Olivier Wright, has succeeded in positioning itself as the leader in the principal European territories. For Avanquest Software, this transaction, totally complementary to the acquisition of Nova Development that just occurred in the United States, fits in perfectly with our strategic vision: becoming the most important independent software publisher in the world. We are convinced that the dynamic of profitable growth which will result from these operations will create enormous value for our shareholders, who have been so faithful towards us since we were listed on the stock exchange a little more than ten years ago."

Annual sales for 2006: €75.1 M (+6.4%)

The upturn in business experienced by Avanquest Software during the month of September 2006 continued during the fourth and final quarter of the financial year, **with quarterly sales of €23.4 M, an increase of 10%** over the fourth quarter of 2005 (+6% with constant exchange rates and consolidation perimeter). After a disappointing period between the months of April and August 2006, marked by a slowdown in retail activity, this excellent fourth quarter confirms the return to growth.

The Avanquest Software Group thus experienced sales slightly over **€75 M** for the entire year, an increase of 6% (+1% in the pro-forma data) in line with the objective, as revised during the financial year.

Avanquest Software to exceed sales of 100 million Euros in 2007

During the 2005/2006 financial year, Emme realised sales of €35.9M (closing end of March) and has a net cash flow of about €8M. In 2006, the Avanquest Software group – which has a net cash flow estimated at €10M (non-audited figure) - reached €75.1M in sales. Combined with Nova Development's sales figure in 2006 of €24.6M, the new Avanquest Software Group will experience a significant change in size, greatly exceeding its objective of €100M in sales for 2007.

After carrying out the Emme transaction, the 2007 financial year for Avanquest Software Group will naturally be dedicated to implementing the synergy between the operational entities

throughout all territories in order to optimise the profitability of the Avanquest Software Group in its new dimension, and to implement all possible growth drivers.

Emme and Avanquest Software Management teams have signed a letter of intent providing for the launch of a friendly takeover bid of Emme by Avanquest under the form of an Alternative Public Exchange Offer.

A new Visual Identity to accompany significant growth

Avanquest Software is announcing its new visual identity:



The new visual identity highlights the strong values that drive Avanquest Software: Innovation and Excellence, but also Emotion and Customer Intimacy.

The new identity contributes to the Group's desire to establish a strong global trademark, throughout all territories and all sales channels, which is immediately recognised by its clients. Under the Avanquest Software flagship, a range of software which conveys the group's values will be launched in each country with unified packaging and a branding strategy, creating value for the company as a whole throughout the world over future years.

Unifying, the new visual identity for the Group symbolises the values of a company united around the same core business and global ambition: to position itself as a leading software publisher throughout all territories. It represents the movement and the dynamism which motivate all the groups' teammates to meet the challenges of the future.

About Avanquest Software

Avanquest Software is a leading developer and global publisher of best-selling personal and professional software designed for utilities, office productivity, communications and mobility worldwide. Headquartered in France, with operating units, subsidiaries and offices located in United States, France, Germany, Great Britain, Italy, Spain, China, Korea, and Japan, Avanquest Software products are marketed in over 100 countries, through e-commerce, OEM partnerships and IT resellers. Founded in 1984 as BVRP Software and listed since December 1996 on Euronext (ISIN FR0004026714), Avanquest Software forms part of the Eurolist, NextEconomy segment and SBF 250 index. In 2006, Avanquest Software posted revenues of €75.1M. Additional information on Avanquest Software is available at <http://www.avanquest.com>.

About Emme

The EMME Group is one of Europe's leading publishers of interactive content. The Group has positioned itself in the key segments of education, culture and lifestyle. Through its catalogue, the Group offers an extensive portfolio of over 1,000 titles on CD-ROM and DVD-ROM in the educational, cultural and lifestyle sectors. The EMME Group has an international profile and 75% of its sales are generated outside France. The Group's dynamic business approach has helped it establish a presence in the four main European markets - France (EMME SA, Anten), the UK (GSP), Belgium & The Netherlands (Mediamix) and Germany (Modern Games) - and the US market (GSP North America). For economic and financial updates on the Emme Group (code ISIN FR0004150000): Visit <http://www.EMME-finance.com> or <http://www.EMME.com>

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