

21 July 2015

Escher Group Holdings plc

Half year trading update

Escher Group Holdings plc (AIM: ESCH, "Escher" or the "Group"), a world-leading provider of outsourced, point-of-service software to the postal industry, has published a trading update for the six months to 30 June 2015.

Revenue for the half year is expected to be in the order of US\$11.85m (2014: US\$11.08m), up by 7%. Adjusted EBITDA* is expected to increase strongly by 66% to approximately US\$2.68m (2014: US\$1.61m). The Group has continued to invest significantly in new products and operations. Net debt at 30 June 2015 was US\$2.7m (31 December 2014: US\$5.3m).

Overall, the Group is trading in line with the Board's expectations for the current financial year.

The recent contract win with permanent tsb, an Irish retail bank with 76 branches and over 1 million customers demonstrates Escher's ability to expand into other related market areas.

The Group completed the rollout of its software for a Malaysian client in the period and the rollout to Escher's major US client is ongoing following the recognition of the license revenue in February 2015.

Liam Church, Escher's Chief Executive, commented:

"We are delighted to have completed important project phases with two major customers which allows us to move to recognising maintenance revenue for these customers."

"This steady increase in recurring revenue gives us confidence about medium-term growth."

* Operating profit before, depreciation, amortisation, share based payments and exceptional items.

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About Escher Group

Escher is a world leading provider of outsourced, point-of-service software for use in the worldwide postal, retail and financial industries. Its core software, Riposte, a Transaction Services Platform, enables our customers to expand their offerings, providing new services, reducing costs and increasing efficiency.

The Riposte Platform presents securely extends the retail branch network. Our technology creates new revenue opportunities, streamlines operations, and its flexibility allows it to be deployed across multiple platforms and devices, giving the ultimate freedom of choice when it comes to channel and hardware selection.

Our focus is to ensure the success of our customers by delivering the very best in innovative technology for their business.