

Regulatory Announcement

Company KOFAX plc
TIDM KFX
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Kofax plc: Interim Management Statement

Basingstoke, 12 May 2009 – Kofax plc (LSE: KFX), the leading provider of Intelligent Capture & Exchange solutions, releases its Interim Management Statement for the period from 1 January to 31 March 2009.

Like many other technology companies, Kofax had a challenging quarter. While the Company's revenues and adjusted operating profit continued to benefit from current exchange rates, they were nonetheless lower than those expected by management and the Board. As a result, while the Company still expects to be within the range of analyst expectations for the full year it will be within the lower end of the current range of the same.

In the applications software and services business, the Company experienced further progress in implementing its hybrid go-to-market strategy, with an increasing portion of its revenues coming from direct engagements, and improved performance in the Asia Pacific region. In the Americas and EMEA the Company encountered a lengthening of sales cycles and delays in decision making during the final weeks of the quarter, which resulted in lower than expected revenues in those regions. The hardware distribution businesses continued to be negatively impacted by weak economic conditions, which led to fewer digital scanners being sold and lower OEM / POS software revenues. While Kofax continues to prudently invest in its business to improve its future operating leverage, it is also exerting very tight hiring and expense controls in non revenue generating functions but those cost savings were not sufficient to offset the lower than expected revenues.

Management and the Board are pleased with the progress in implementing Kofax's strategic initiatives to date and at 31 March the Company's balance sheet remained strong with substantial cash balances and no debt. However, market conditions are volatile and difficult to predict. As a result of these factors, management and the Board have lowered their expectations for the Company's full year results but these remain within the lower end of the current range of analyst expectations.

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About Kofax

Kofax plc (LSE: KFX) is the leading provider of Intelligent Capture & Exchange solutions. For more than 20 years, Kofax has provided award-winning solutions that automate document-driven business processes by managing the transformation and exchange of business-critical information arising in paper, fax and electronic formats in a more accurate, timely and cost-effective manner. These solutions provide a verifiable return on investment to thousands of customers in financial services, manufacturing, retail, government, healthcare, business process outsourcing and other markets. Kofax delivers these solutions through its own sales and service organisations, and a global network of more than 1,200 authorised partners in more than 60 countries throughout the Americas, EMEA and Asia Pacific. For more information, visit www.kofax.com.