M-Files Rapid Growth in 2012 Fueled by Unique
Enterprise Content Management Solutions for Quality and Compliance

Metadata-powered "Folder-less" Architecture and Hybrid Cloud Deployments Resonate with Customers and Partners; Leads to Substantial Increases in New Users, Licenses Sold and Global Channel Network

DALLAS, TX, January 30, 2013: M-Files Inc., the developer of <u>M-Files</u> metadata-powered cloud, on-premise, and hybrid enterprise content management (ECM) solutions, today announced 2012 revenue and user growth figures that showcase the rapid adoption of its solutions for improving how companies manage, secure and share information. For the 6th consecutive year, the company has sustained strong growth as more organizations deploy M-Files to enhance productivity and quality, and ensure compliance with industry regulations and standards.

M-Files revenue increased 44 percent in 2012, culminating in a six-year growth rate of 782 percent. The number of on-premise M-Files licenses sold in 2012 increased 39 percent over 2011, and the M-Files on-premise user base grew by 46 percent over this same period. In addition, M-Files experienced a significant increase in the adoption of its cloud-based ECM solutions, with a 190 percent increase in cloud users and a 227 percent increase in cloud-based revenue in 2012 over 2011.

The M-Files reseller channel was a key driver of its worldwide growth in 2012, with total revenue generated through the company's partner network growing by over more than 70 percent as compared to 2011. M-Files is also rapidly adding new channel partners; the company currently has more than 230 partners operating in 65 countries, which represents an increase of 40 percent over 2011.

"Our continued success is driven by a truly unique metadata-powered approach that forms the basis of a variety of targeted solutions for document management, quality management and more, that simply work better," said Greg Milliken, president of M-Files Inc. "M-Files organizes and manages information based on what it is, rather than where it is stored, making it fundamentally different from traditional folder-based approaches, and enabling solutions that are more flexible and intuitive. Combine that with specialized capabilities for ensuring compliance in regulated industries, and the ability to deploy M-Files in the cloud, on-premise and in hybrid environments, and you have our recipe for growth over the last six years and into the future."

Awards and Recognition Received by M-Files During 2012
M-Files received a number of prestigious accolades and awards during 2012, including:

[*Gartner's 2012 Magic Quadrant for Enterprise Content Management (ECM)*](#): M-Files debuted as an emerging vendor in Gartner's 2012 Magic Quadrant for Enterprise Content Management report. The inclusion of M-Files in this prestigious report published by the most respected analyst firm in the industry is a significant achievement, and further validates the company's position as a leading player in the global ECM market.

[*InfoTech Research Group's 2012 Content Management for Knowledge Workers Vendor Landscape:*](#)
M-Files was recognized as a Market Pillar in InfoTech Research Group's 2012 Content Management for Knowledge Workers Vendor Landscape. M-Files received the 3rd highest "Value Score" of 13 vendors evaluated, and the analyst firm also acknowledged M-Files as an Exemplary Performer in the "Document-based Sharing" category.

Deloitte Technology Fast 500 EMEA: M-Files ranked number 295th on the Deloitte Technology Fast 500 EMEA 2012, a ranking of the 500 fastest-growing technology companies in Europe, the Middle East and Africa (EMEA). Rankings are based on percentage revenue growth over five years. M-Files previously ranked 439th in the 2011 list. In addition to ranking in the Deloitte Technology Fast 500, M-Files was 15th in the Finland Deloitte Technology Fast 50, a ranking of the 50 fastest growing technology firms in Finland.

KMWorld Magazine: Trend-Setting Product of 2012: M-Files ECM was selected by KMWorld Magazine as a Trend-Setting Product of 2012. The inclusion of M-Files on KMWorld's list of trend-setting products was based on clearly identifiable technology breakthroughs that served the company's full spectrum of constituencies, particularly its customers.

European Business Awards: M-Files was selected by the European Business Awards to represent Finland in its prestigious 2012/2013 Awards program. M-Files came out on top against stiff competition to be selected as a country representative and will now compete for National Champion status in the next round of the competition in April 2013. The European Business Awards identifies Europe's brightest businesses based on their ability to demonstrate the program's three core principles: innovation, business excellence and sustainability.

New M-Files Products and Enhancements in 2012
M-Files 9.0: M-Files 9.0 delivered major new ECM enhancements for collaboration, data replication, archiving, compliance and more. This latest version of M-Files builds on its unique metadata-powered architecture to deliver major improvements, such as automated replication of documents and other content between repositories located on-premise and in the cloud, integrated file sharing and collaboration with Microsoft SkyDrive, improved search results, archiving files in PDF/A-1b format for efficient long-term preservation of electronic documents, enhanced support for mobile devices, and several other enhancements.

M-Files Cloud Vault 2.0: M-Files Cloud Vault 2.0 includes major new enhancements such as unique support for hybrid cloud configurations, single sign-on via Active Directory, improved back-up and recovery capabilities, and 100 TB cloud storage capacity. M-Files Cloud Vault is the first ECM solution to run natively on Windows Azure, empowering businesses to take advantage of Microsoft's highly scalable and reliable cloud-based platform and geographically distributed data centers.

M-Files QMS: M-Files QMS is a practical and easy-to-use solution that helps manufacturing organizations and related businesses fulfill the documentation and data requirements associated with quality standards such as ISO 9001, CE marking or labeling, compliance with FDA 21 CFR Part 11 and EU GMP Annex 11, and audits associated with all of these activities. M-Files QMS is ideally suited for businesses in regulated industries such as pharmaceutical and life sciences, petrochemicals and other process-related manufacturing sectors, food production, transportation (including aviation, automotive, etc.), mining, and others.

About M-Files Inc.
M-Files enterprise content management (ECM) solutions transform how businesses manage, secure and share information with a unique metadata-driven approach that organizes and processes content based on *what* it is, rather than *where* it resides. Thousands of businesses in over 105 countries use M-Files on-premise, in the cloud or in hybrid environments to improve productivity and quality, and to ensure

compliance with industry regulations and standards, including companies such as AstraZeneca, Parker Hannifin and EADS. For more information, visit www.m-files.com.

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