



20-20 Technologies Reports First Quarter Results for Fiscal 2011

LAVAL, QUEBEC, March 15, 2011 -- 20-20 Technologies Inc. (TSX: TWT), the world leader in 3D interior design and furniture manufacturing software, today announced its results for the first quarter ended January 31, 2011. All amounts are in US dollars unless otherwise indicated.

First Quarter Highlights

- First quarter revenues of \$16.5 million, essentially unchanged compared to last year
- Net earnings stood at \$0.4 million or \$0.02 per share compared to \$0.5 million or \$0.02 per share last year
- Overall license revenues increased by 9.3% fuelled in part by manufacturing sector
- Revenues from international markets increased 80.2% over 2010
- EBITDA at \$1.8 million (\$2.2 million in constant dollars) compared to \$2.5 million in 2010

“First quarter results once more highlight the growing contribution and importance of emerging markets for 20-20 going forward. During the quarter, for example, we signed inSight deals in Russia and in Ukraine, in cooperation with our regional partner, further validating our indirect channel strategy,” said Jean-François Grou, Chief Executive Officer.

“The decline in maintenance and other recurring services revenues and the associated impact on gross margin due to a higher proportion of third party licenses in the quarter combined with higher sales & marketing expenses hurt the profitability for the quarter. Recurring maintenance revenues, which had come under some pressure last year, have stabilized near current levels over the last three quarters and should start improving towards the end of the year based on new licenses added in recent quarters. As for sales & marketing expenses, wage restrictions in place last year coupled with the decision to be more active in trade shows represent the main factors responsible for the increase,” said Mr. Grou.

FIRST QUARTER RESULTS

Revenues of \$16.5 million were basically flat, compared with \$16.6 million a year ago. Home and Office sector revenues increased while revenues from the Manufacturing sector slightly declined with the negative incidence of exchange rates.

Revenues in North America were essentially unchanged while revenues in Europe decreased by 6.3% and International revenues rose by 80.2%. In percentage of total

revenues, North America, Europe and International markets represented 50.9%, 43.1% and 6.0% respectively.

Home sector revenues, accounting for 54.2% of total revenues, reached \$8.9 million, up 1.5% (3.1% in constant dollars) over the previous year. In constant dollars, overall license revenues increased by 13.6% or \$0.4 million while maintenance and other recurring services revenues declined by 3.1% or \$0.1 million. All sectors posted small growth rates in constant dollars.

Manufacturing sector revenues which accounted for 29.3% of total revenues declined by 6.3% to \$4.8 million and were flat taking into account the negative impact of exchange rates. In constant dollars, overall license revenues increased by 16.4% or \$0.3 million while maintenance and other recurring revenues, and professional services were down by 10.4% and 5.8% respectively.

Office sector revenues reached \$2.7 million, up 2.6% over the previous year. After several quarters of declining revenues, some clients resumed investments in new catalogs and in the update of existing ones fuelling professional services revenues by 42.1%. As in other business sectors, maintenance and other recurring revenues decreased by 3.6%. Overall licenses revenues increased 3.0% providing another indication that the sector has stabilized and is in the early stages of a recovery.

License sales increased 4.7% to \$5.0 million and 8.1% in constant dollars largely attributable to International markets and a large deal in Russia. In Europe, they increased by 11.1% while revenues in North America decreased by 13.7%. In constant dollars, manufacturing sector license revenues increased by 19.0% while revenues from the Home sector were relatively stable and the Office sector increased modestly.

Recurring license revenues increased by 28.5% to \$1.5 million, with growth of 31.8% in North America and 18.1% in Europe. Home sector revenues, representing the main component of this segment, increased by 53.2%.

Maintenance and other recurring services revenues declined by 7.2% or 5.0% in constant dollars, reflecting decreases in North America and Europe, and all business sectors. As indicated above, with lingering recessionary pressures impacting 20-20's end markets, the decrease in maintenance revenues was anticipated.

Professional services revenues declined by 4.1% to \$2.9 million and were flat in constant dollars. From a small base, the largest increase was reported by the Office sector with 42.1% while the manufacturing sector declined by 11.3%. Home sector revenues on the other hand, remained unchanged.

EBITDA

EBITDA reached \$1.8 million (11.2% of revenues) from \$2.5 million (15.3% of revenues) a year ago. EBITDA was impacted by lower gross margins associated with the decline of maintenance and other recurring service revenues, a greater proportion of third party license sales and higher sales & marketing expenses. In addition, the impact of exchange rates was important and in constant dollars, EBITDA would have been \$2.2 million or 13.1% of revenues.

Net Earnings

The Company generated net earnings of \$0.4 million or \$0.02 per share, compared with net earnings of \$0.5 million or \$0.02 per share, a year ago.

Balance Sheet

The Company maintained a solid balance sheet with cash and cash equivalents of \$13.0 million compared with \$22.2 million for the previous year. Long-term debt was reduced by \$11.4 million when compared with last year and stood at \$6.4 million, including the current portion, as of January 31, 2011.

Outlook

“Economic indicators, our sales pipeline and other leading indicators such as the significant increase in attendance at the IMM trade show last January, as well as recent announcements made by the largest home improvement centre in the world, point to better times ahead. All our business sectors are contributing to the improvement of revenues and we continue to generate more business from new market segments and domains. Although our one-time service revenues were slightly lower year-over-year and sequentially, partly affected by seasonality, our recurring service revenues are stable sequentially with recurring licenses showing steady increases.

“Although Management is not satisfied with current EBITDA levels, we remain confident that by executing our strategy while constantly seeking operating performance improvements with just the right level of investment, we will progressively achieve our profitability objectives. Meanwhile, we are continuing to apply tight control over our operating costs, with both temporary and permanent measures,” concluded Jean-François Grou.

Conference Call Information

20-20 will host a conference call to discuss the first quarter results March 15th, 2011 at 2:00 p.m. (EDT). The call will be accessible by telephone at 1 800 731-5319, or 514 807-8791. An audio replay of the conference call will be available until midnight, March 22, 2011. To access it, dial 1-877-289-8525 and enter the pass code: 4418482#.

Please note that 20-20 Technologies' full financials and MD&A are available on SEDAR as well as on the Company's web site, www.2020technologies.com.

About 20-20 Technologies Inc.

20-20 Technologies is the world's leading provider of computer-aided design, business and manufacturing software tailored for the interior design and furniture industries. Dealers and retailers use our desktop and Web-based products and solutions for the home and office markets. 20-20 offers a unique end-to-end solution, integrating the entire breadth of functions in interior design. It provides a bridge for data communication from the point-of-sale to manufacturing, including computer-aided engineering and plant floor automation software. Operating in eleven countries with more than 500 employees and an extensive network of partners worldwide, 20-20 is a publicly traded company (TWT) on the Toronto Stock Exchange (TSX). For more information, visit www.2020technologies.com.

NON-GAAP MEASURE

References in this press release to the term "EBITDA" are related to cash earnings. EBITDA is defined for these purposes as Operating Income before non recurring charges plus amortization and depreciation expenses. EBITDA is not a recognized measure under GAAP in Canada and may not be comparable to similar measures used by other companies.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this news release constitute forward-looking information within the meaning of securities laws.

Implicit in this information, particularly in respect of future operating results and economic performance of the Company are assumptions regarding projected revenue and expenses. These assumptions, although considered reasonable by the Company at the time of preparation, may prove to be incorrect. Readers are cautioned that actual future operating results and economic performance of the Company are subject to a number of risks and uncertainties, including general economic, market and business conditions and could differ materially from what is currently expected.

For more exhaustive information on these risks and uncertainties, please refer to our most recently filed annual information form, available at www.sedar.com. Forward-looking information contained in this report is based on management's current estimates, expectations and projections, which management believes are reasonable as of the current date. You should not place undue importance on forward-looking information and should not rely upon this information as of any other date. While we may elect to do so, we are under no obligation and do not undertake to update this information at any particular time unless required by applicable securities law.

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20-20 Technologies Inc.
CONSOLIDATED BALANCE SHEETS
(Amounts in thousands of U.S. dollars)

	January 31, 2011 (Unaudited) \$	October 31, 2010 (Audited) \$
ASSETS		
Current assets		
Cash and cash equivalents	13,016	14,681
Accounts receivable	22,673	16,685
Income taxes receivable	109	102
Contracts in progress	211	178
Prepaid expenses	982	1,019
Income tax credits recoverable	1,001	984
Future income taxes	139	263
	38,131	33,912
Property and equipment	2,290	2,345
Intangibles	6,470	6,968
Goodwill	62,490	61,472
Income tax credits recoverable	2,565	2,304
Future income taxes	2,935	2,745
Other assets	1,179	1,160
	116,060	110,906
LIABILITIES		
Current liabilities		
Bank loan	148	148
Accounts payable	12,324	11,907
Income taxes payable	643	413
Deferred revenue	17,919	13,644
Installment on long-term debt	3,052	2,833
Future income taxes	99	207
	34,185	29,152
Long-term debt	3,355	4,710
Leasehold inducements	262	279
Future income taxes	3,243	3,392
	41,045	37,533
SHAREHOLDERS' EQUITY		
Capital stock	58,569	58,569
Common stock options and warrants	1,604	1,553
Contributed surplus	1,050	1,050
Deficit	(1,586)	(1,979)
Accumulated other comprehensive income	15,378	14,180
	13,792	12,201
	75,015	73,373
	116,060	110,906

20-20 Technologies Inc.**CONSOLIDATED EARNINGS**

(Amounts in thousands of U.S. dollars, except per share data)

	Three months ended January 31	
	2011	2010
	(Unaudited)	(Unaudited)
	\$	\$
Revenues	16,477	16,604
Cost of revenues	4,687	4,268
Gross margin	11,790	12,336
Operating expenses		
Sales and marketing	4,645	3,937
Research and development	2,917	3,301
General and administrative	3,461	3,498
Stock-based compensation	30	83
	11,053	10,819
Operating income	737	1,517
Financial expenses		
Bank charges and interest expense	274	352
Exchange loss	58	476
	332	828
Non-controlling interest	-	10
Earnings before income taxes	405	679
Income taxes		
Current	527	699
Future	(515)	(482)
	12	217
Net earnings	393	462
Earnings per share		
Basic and Diluted	0.02	0.02

20-20 Technologies Inc.
CONSOLIDATED CASH FLOWS
(Amounts in thousands of U.S. dollars)

	Three months ended	
	January 31	
	2011	2010
	(Unaudited)	(Unaudited)
	\$	\$
OPERATING ACTIVITIES		
Net earnings	393	462
Non-cash items		
Amortization	908	1,024
Leasehold inducements	(21)	(20)
Stock-based compensation	19	83
Capitalized interest on long term debt	12	25
Non-controlling interest	-	10
Future income taxes	(515)	(482)
Unrealized gain on long term debt exchange	-	(134)
Unrealized loss on forward exchange contracts and currency options	194	57
Changes in working capital items	(1,338)	(2,110)
Cash flows used in operating activities	(348)	(1,085)
INVESTING ACTIVITIES		
Property and equipment	(214)	(246)
Intangible assets – acquired	(28)	-
Product of disposition of property and equipment	5	33
Other assets	(1)	(11)
Cash flows used in investing activities	(238)	(224)
FINANCING ACTIVITIES		
Long-term debt	-	699
Repayment of long-term debt	(1,308)	(685)
Cash flows from (used in) financing activities	(1,308)	14
Effect of changes in exchange rate on cash held in foreign currencies	229	311
Net decrease in cash and cash equivalents	(1,665)	(984)
Cash and cash equivalents, beginning of period	14,681	23,221
Cash and cash equivalents, end of period	13,016	22,237