

**Preliminary Results 2007:
Sales growth 24% - EBIT according to IFRS increases by
more than 100%**

Stuttgart, Germany, 10 March 2008 - Digital Identification Solutions AG, a leading international supplier of identification solutions reports a successful financial year 2007. According to preliminary figures, sales and EBIT were as follows:

€Mn	2006	2007	Change
Sales	14.7	18.3	24%
Gross Margin	5.8	9.3	59%
EBIT	0.2	0.6	>100%

This growth was supported by all product groups and further accelerated by the integration of vps ID Systeme GmbH which was consolidated as of August. Organic growth amounted to 17%. One-offs that have held results back by more than € 1 mn were: The change to IFRS, the relaunch of almost the entire hardware platform, delays on the part of suppliers and FX effects and start-up expenses of our subsidiaries in Dubai and Mexico. Still, the group managed to show an EBIT increase of more than 100%.

The various product lines have contributed to consolidated sales as follows:

€Mn	2006	2007	Change
Hardware	5.9	6.4	7%
Media	7.6	10.0	31%
Software and Services	1.1	2.0	74%
Total	14.7	18.3	24%

2007 saw the following milestones reached which will underpin the long term growth trend of the Digital Identification Solutions Group:

- In August, the group acquired vps ID Systeme GmbH, the integration proceeds in line with expectations. As a result, the Group controls yet another critical success factor of the value chain.
- During 2007, almost the entire hardware platform was overhauled and a new software generation introduced. Some 20 special events were hosted across the globe in order to facilitate its start.
- The subsidiary in Mexico started operations in 2007 and succeeded in obtaining the first sizeable orders.
- The office in Dubai was substantially enlarged in order to capitalize on the enormous potential of this important region.
- Our corporate identity was completely reworked by the new corporate product marketing department.
- For the first time, the company managed to break into the huge US government market.
- At year end 2007, the aggregate number of systems installed exceeded 6,500 for the first time.
- The share of international sales remained above 80%.
- Headcount rose from 62 at the end of 2006 to well over 100. As a result, we have almost filled every open position.

„We will continue our growth path with new products and in new regions in 2008“, added Gerd Schaefer, Group CEO.

For the financial year 2008, the company expects double digit growth of sales and operating profit and foresees a rising operating margin.

The Managing Board

Note: These numbers have not yet been audited and represent the status quo. The full, audited accounts will be published in May 2008.

About Digital Identification Solutions

The Digital Identification Solutions Group is a global provider of advanced identification solutions with a worldwide installed base of more than 6,500 systems. In September 2007 the Group has introduced the latest *EDIsecure®* XID 5xxie Retransfer Printer generation successfully into the world market. The company has sales, marketing and support operations in Europe, the Middle East, Asia, China, Mexico and the United States. Together with its vast network of certified partners, Digital Identification Solutions is in a position to deliver state-of-the-art solutions virtually anywhere in the world. The company combines cutting-edge technology, extensive industry know-how and an impressive array of references in the private and public sector.

For further information please visit www.digital-identification.com

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