



**First Quarter Results 2008:
Sales Growth 61% - EBIT Increase 21%**

Stuttgart, Germany, 5 June 2008 - Digital Identification Solutions AG, a leading international supplier of cutting-edge identification solutions reports a very successful first quarter 2008. The company listed on the Frankfurt Stock Exchange (Entry Standard) has achieved the following results:

€ Million	31/3/2007	31/3/2008	Change
Sales	2,8	4,5	61%
Gross margin	1,3	2,4	79%
EBITDA	- 0,2	- 0,1	55%
EBIT	- 0,3	- 0,2	21%
Net profit	- 0,3	- 0,2	25%

The sales trend was supported by a strong start in the European and US Region. Furthermore the substantial growth of the gross margin certifies that the business model is very attractive. As the first quarter is traditionally one of the weaker ones yet with a disproportionate share of costs (CeBIT, annual accounts etc.) the overall development is giving comfort:

€ Million	2007	2008	Change
Hardware	0,9	1,3	38%
Consumables	1,7	2,7	56%
Software and Services	0,2	0,6	> 100%
Total	2,8	4,5	61%

The superior growth of sales in Software and Services was achieved by the consolidation of vps ID Systeme which is the software developer of the company and was only shown from the date of acquisition in August last year.

In the first quarter among others following milestones were achieved, which essentially support the further growth of the Digital Identification Solutions Group:

- First time ever a partner training took place where newcomers and advanced learners were trained in parallel for one week. More than 60 “students” were participating which is an absolute record.
- For an improved training of the company’s partners a DISO-Academy has been created. Via Internet registered partners can download all training contents.
- At CeBIT in Hanover more than 11 new products in the segments Hardware, Software and Consumables were introduced.
- With Turkey a new promising market was entered with major potential especially in the field of direct card printers.
- The number of distribution partners increases steadily and reached more than 140 at the end of the first quarter.
- In close collaboration with vps ID Systeme totally new enhanced software solutions were presented in the first quarter.

„With this start into 2008 we are confident that the business model will develop as planned“, comments Gerd Schaefer, CEO of Digital Identification Solutions AG.

The Managing Board

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 6,800 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, 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

Contact:

Sabrina Poessl

Corporate Communications

Digital Identification Solutions AG

Teckstrasse 52

73734 Esslingen

Germany

Phone: ++49 711-341 689-0

Fax: ++49 711-341 689-550

mail_ir@digital-identification.com