



## Press Release

### Profitability leaps in H1; growth in all segments

Stuttgart, 21 August 2006

The Digital Identification Solutions Group (A0JELZ) which is listed on the Frankfurt Stock Exchange (Entry Standard) has achieved the following, consolidated unaudited results in the first half of 2006:

EUR mn	Jan-Jun 2005	Jan-Jun 2006	Change in %
Sales	3,8	7,6	98
EBIT excluding IPO Costs	(0,6)	0,4	n/m
EBIT including IPO Costs	(0,6)	(0,5)	5
Order book	0,7	1,2	71

These results put Digital Identification Solutions comfortably ahead of its budgetary goals for the first half of 2006. Its segments contributed to this growth as follows:

EUR mn	Jan-Jun 2005	Jan-Jun 2006	Change in %
Hardware	1,5	3,5	142
Consumables	2,1	3,6	67
Software and Services	0,2	0,5	103

In particular, the strong increase in hardware sales deserves to be mentioned, since it will result in increased consumables business in future periods.

Altogether, the Digital Identification Solutions Group sold more than 800 printer systems during the reporting period. As a result, the global installed base now exceeds 4,000 systems.

Noteworthy projects which contributed to this growth were the Indonesian biometric Passport and the sale of more than 100 printing systems to the Spanish football league.

The company management is confident that it will achieve full year sales of EUR 17 mn, not least because our business with governments is typically end loaded.

In 2005 the Group generated just 33% of full year revenues in the first half.

The EBIT-margin excluding IPO related costs improved from -15.8% in H1 2005 by more than 20 percentage points to 4.7%.

IPO related costs amounted to some EUR 1.1 mn. Of this, EUR 0.9 mn is already included in the half year results.

At the end of June, the Group had liquid assets of more than EUR 10 mn which are to be used primarily for regional expansion, strengthening of the organization and the access to new key technologies.

Our order book stood at EUR 1.2 mn. This is very satisfactory because order inflow normally decelerates during the summer months.

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 some 4,000 systems. The company has sales, marketing and support operations in Europe, the Middle East, Asia 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](http://www.digital-identification.com)

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