

**H1 Results 2007:
Digital Identification Solutions on track for new record sales and profits**

Stuttgart, Germany, 15 August 2007 - 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 2007:

| EUR mn | Jan-Jun 2006 | Jan-Jun 2007 | Change in % |
|---------------------------------|--------------|--------------|-------------|
| Sales | 7,6 | 6,4 | -15% |
| Gross Margin | 2,8 | 2,8 | 0% |
| EBIT excluding IPO costs | 0,4 | (0,6) | n/m |
| EBIT including IPO costs | (0,5) | (0,6) | -17% |
| Order book | 1,2 | 2,2 | +83% |

In H1 2006 business was positively affected by three passport projects - which contributed some € 2 mn - and thus untypical high. In H1 2007, trading activities were dominated by the far more predictable channel business, which recorded double digit gains. However, the record high order book underpins our optimism that our 2007 sales and profit goals which were already communicated are indeed achievable.

The high gross margin has compensated the substantially higher personnel expenditure, despite lower sales. Since the bulk of our costs in recorded in H1, driven among others by seasonally higher marketing costs, management expects a significant margin improvement in H2.

The three business segments contributed to this growth as follows:

| in Mio. EUR | Jan-Jun 2006 | Jan-Jun 2007 | Change in % |
|------------------------------|--------------|--------------|-------------|
| Hardware | 3,5 | 2,4 | -30% |
| Consumables | 3,6 | 3,8 | +6% |
| Software and Services | 0,5 | 0,2 | -60% |

Overall, the Digital Identification Solutions Group managed to increase its installed base by more than 12% in H1 2006

Further highlights of the first half of 2007 were:

- The opening of a subsidiary in Latin America proceeded well. A highly experienced General Manager for the Region was hired.
- The headcount in our Dubai branch, which covers the attractive AMECA Region (Africa, Middle East, Central Asia), was tripled. The storage and logistics capacities of the branch were significantly expanded.

- An important breakthrough was achieved in the US Government business: The Department of Motor Vehicles in South Carolina was won as a customer.

At the end of June, the Group had liquid assets of more than EUR 8 mn which are to be used primarily for regional expansion, strengthening of the organization and the access to new key technologies.

A share repurchase program amounting to 170.000 shares, which was authorized by the AGM on May 24th, 2007, will be started shortly.

By separate press release the acquisition of the German software company vps ID Systeme is announced today.

Digital Identification Solutions AG

The Managing Board

About Digital Identification Solutions

The Digital Identification Solutions Group, headquartered in Esslingen near Stuttgart, is a global provider of advanced identification solutions with a worldwide installed base of well in excess of 5,000 systems. In spring 2006 the Group introduced the latest *EDIsecure®* X1D Re-Transfer Printer Generation. 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

Contact:

Tassilo Mayer
CFO
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