

**IMAGE RECOGNITION INTEGRATED SYSTEMS GROUP S.A.**  
(short form I.R.I.S. Group)

## **I.R.I.S. communicates trends for the first half of 2007**

### **REITERATING THE OBJECTIVES FOR 2007**

I.R.I.S.'s strategy is to secure the Group's position as a major player in the Document to Knowledge market in Europe and in the world. This objective involves widening and consolidating I.R.I.S.'s product range and improving its international sales coverage.

From a financial standpoint, the objective announced by the management for 2007 is to continue the efforts to improve profitability, which should be reflected in a reasonable increase in the gross margin and an increase in the operating result (EBIT) and the net result.

### **STRONG GROWTH IN THE FIRST HALF OF 2007, GOOD OUTLOOK FOR 2007**

The full results for the first half of 2007 will be announced on 20 September 2007 once the audit is completed. In the meantime the Company is providing an advance notification limited to the Sales and Gross Margin (Gross Margin = Sales – Cost of Sales).

**Etienne Van de Kerckhove, CEO of I.R.I.S. Group:** "We can now announce that in the first half of 2007 I.R.I.S. achieved sales of over €39 million, well up on the first half of 2006. The gross margin – the real indicator of the company's growth – was more than €21.5 million, up around 18% on the same period a year earlier. This excellent first six months was achieved owing to the good performance of our software publishing (Products & Technologies) and integrated solutions (Professional Solutions) divisions. This growth concerns Intelligent Document Recognition (IDR), Electronic Document Management and Archiving (ECM: Enterprise Content Management) as well as installation of complex IT infrastructures (ICT). For this first half year, the growth in gross margin will make a substantial contribution to increases in operating profitability and net profit.

**Pierre De Muelenaere, President & CEO:** "Analysis of our order book at the end of July 2007 and the prospects for the rest of the year are grounds for optimism for 2007 as a whole and confirm our business plan. At a major event in September 13<sup>th</sup>, 2007 reserved for the press and our partners, I.R.I.S. will unveil a large number of new products that should provide us with a year-end boost. In addition, [the €10 million capital increase subscribed by Ackermans & van Haaren and Compagnie Nationale à Portefeuille on 15<sup>th</sup> June, 2007](#) gives I.R.I.S. additional resources that will enable us both to strengthen our portfolio of technologies and solutions and to embark on international growth initiatives, possibly involving acquisitions. In the medium term the expertise of these two prestigious shareholders, who will be joining our board, will be a key ingredient in the success of I.R.I.S.'s growth policy in the years ahead."

Visit the website [www.irislink.com](http://www.irislink.com) to learn more about I.R.I.S.

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