

Good performance in a difficult FY2009
Confidence in the perspectives for 2010 and 2011

Gross margin	59.3 M€	(+ 1.6%)
EBITDA	7.1 M€	(-27.3%)
Net profit	3.4 M€	(-44.3%)

Louvain-la-Neuve, March 11th, 2010 - **Under embargo until 5:45 PM** - I.R.I.S. confirms a satisfactory level of business for the year 2009, despite a very difficult environment.

As announced since May 2009, the FY2009 result is lower than in FY2008. Many clients postponed or cancelled capital expenditures and the banking industry (traditionally I.R.I.S.' second largest professional market) crunched investments following the financial crisis. The sales decreased from € 109.3 million to € 102.9 million (-5.9%).

Etienne Van de Kerckhove, CEO: "I.R.I.S.' license revenues and services increased, but the hardware sales were impacted by the delay of investments. This created a positive effect on our gross margin rate: 57.7% (vs. 53.4% in 2008). Globally, the gross margin (the most relevant performance indicator) slightly increased by 1.6% to € 59.3 million (vs. € 58.4 million in 2008). Operating expenses increased by 8.4%: I.R.I.S. maintained all strategic initiatives and did not cut costs aggressively. Also, there was the impact of Corismo's operating expenses (acquisition in 2009). As a consequence, the cash flow from operations (EBITDA) came to € 7.1 million (vs. € 9.8 million in 2008), which is considered a good performance in these turbulent times. After deducting depreciation (€ 2.1 million), net financial expense (€ 0.7million) and tax (€ 0.9 million), the net profit was € 3.4 million."

Pierre De Muelenaere, President & CEO: "In 2009, I.R.I.S. continued to develop its business through complementary channels. We maintained a significant level of R&D investment (€ 5.9 million) focused on our proprietary technologies. We announced new products and solutions, and some major partnerships: we signed many new contracts in Q4/2009 that grew our backlog by 9% year on year. I.R.I.S.' activities have diversified geographically (contribution from operations in Hong Kong and Norway) and technologically (mobile scanning devices, software-as-a-service). 2010 started positively: our latest annual IRISLink event (on 9 February, 2010) was a big success with over 700 qualified visitors from 36 countries. We invite anyone interested in empowering their business through intelligent document capture, enterprise content management and optimized IT infrastructure, to visit www.iriscorporate.com/irislink2010 and participate to the IRISLink 2010 event as if they had attended!"

Etienne Van de Kerckhove, CEO: "I.R.I.S. proposes many solutions to increase customers' business efficiency through better managing their documents, data and information. Our corporate customers acknowledge that I.R.I.S.' technologies and services generate a quick pay-back and help them significantly do more with less. Secure digital archives, automated document sorting, digital workflow management, automated invoice processing, server, storage and desktop virtualization are sources of such efficiencies. Our solutions also help large accounts addressing their corporate social responsibility, as they help reducing paper consumption and carbon footprint. Our solutions generate energy savings in IT and also in travels by making documents and information accessible anywhere. I.R.I.S. has a long term vision: have the best document capture platform, be the largest European specialized ECM solutions provider, and deliver the best IT optimization skills to improve strongly our customers' business efficiency whilst reducing their environmental impact."

Pierre De Muelenaere, President & CEO: "It remains difficult to make reliable forecasts in the current environment. However, since I.R.I.S. will continue to launch new technologies, address new markets and take benefit from strong partnerships, we are confident that I.R.I.S. will deliver growth of sales and profit in 2010-2011."

Denis Hermesse, CFO: "I.R.I.S. has a robust financial position. The shareholders' equity is € 56.2 million (€ 31.18 per share) and the net cash (after deducting short-term debt) is € 14.6 million (€ 8.07 per share). Taking into account undrawn committed credit facilities of € 14.5 million, I.R.I.S.'s short term cash capacity is more than € 30 million."

Proposed dividend

Per application of I.R.I.S.'s constant policy to distribute 25% of its net profit, and based on the FY2009 earnings and the outlook for 2010, the Board of Directors will propose a gross dividend of €0.47 per share for approval by the Annual General Meeting to be held on 18 May 2010.

Auditor's report

The company auditors confirms that they have completed the key elements of their audit of the consolidated accounts and that this audit has not yielded any material corrections that are required to be made to the financial information included in this press release.

IFRS accounting standards

All the figures have been established in accordance with IFRS. These figures are a summary of the detailed financial results as presented in the annual report to be released at the end of April 2010.

Financial calendar and financial information

Annual General Meeting: 18 May 2010 at 9 AM

Annual report: last week of April 2010

Publication of the half-year results: 27 August 2010

About I.R.I.S. - www.iriscorporate.com

The **I.R.I.S. mission** is to increase our clients' productivity and knowledge by helping them to better manage their documents, data and information.

I.R.I.S. Products & Technologies develops Intelligent Document Recognition technologies and products and markets its portfolio of products worldwide through solid partnerships.

I.R.I.S. Professional Solutions enables companies and government bodies to find in one company the innovative expertise and high-tech solutions to efficiently manage their documents, information flows and IT infrastructures.

I.R.I.S. employs over 600 staff, based in Louvain-la-Neuve, Vilvoorde and Antwerp (Belgium); Orly (France); Windhof (Luxembourg); Amstelveen and Maastricht (Netherlands); Aachen (Germany); Delray Beach (Florida, USA); Hong Kong (China) and Oslo (Norway).

Contact: Denis Hermesse, CFO -Tel: +32 (0) 10 487 460 -E-mail: investors@iriscorporate.com

IMAGE RECOGNITION INTEGRATED SYSTEMS GROUP S.A. Rue du Bosquet 10 – Parc Scientifique de Louvain-la-Neuve – B 1435 Mont Saint-Guibert

Forward Looking Statements

This press release contains forward-looking statements with respect to the business, financial condition, and results of operations of I.R.I.S. and its affiliates. These statements are based on the current expectations or beliefs of I.R.I.S.'s management and are subject to a number of risks and uncertainties that could cause actual results or performance of the Company to differ materially from those contemplated in such forward looking statements. These risks and uncertainties relate to changes in technology and market requirements, the company's concentration on one industry, decline in demand for the company's products and solutions, inability to timely develop and introduce new technologies, products and applications, and loss of market share and pressure on pricing resulting from competition which could cause the actual results or performance of the company to differ materially from those contemplated in such forward-looking statements. I.R.I.S. undertakes no obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

IFRS CONSOLIDATED KEY FIGURES (in EUR)

INCOME STATEMENT	31/12/2009	31/12/2008	31/12/2007	31/12/2006	31/12/2005
Income from ordinary activities	102.893.924	109.325.772	95.062.297	81.756.119	73.968.432
WIP and Other operating income	2.447.212	2.132.604	809.990	921.936	745.651
Operating income	105.341.136	111.458.376	95.872.287	82.678.055	74.714.083
Gross margin	59.344.006	58.383.519	47.259.680	39.517.962	33.447.410
Cash flow from operations (EBITDA)	7.137.490	9.816.207	9.031.017	6.735.246	5.366.727
Income from operations (EBIT)	5.067.421	8.323.009	8.131.513	5.858.537	4.697.855
Net financial income	-743.155	47.721	148.594	148.915	-191.781
Profit before tax	4.324.266	8.370.730	8.280.107	6.007.452	4.506.074
Taxes	-879.861	-2.182.770	-2.546.846	-1.980.617	-1.678.863
Profit for the period	3.444.405	6.187.960	5.733.261	4.026.835	2.827.211
Group share in the Result	3.444.405	6.187.960	5.733.261	4.026.835	2.827.211
CONSOLIDATED BALANCE SHEET	31/12/2009	31/12/2008	31/12/2007	31/12/2006	31/12/2005
Share capital	38.406.052	38.307.692	38.089.702	28.008.924	26.729.663
Shareholders' equity	56.234.719	53.636.757	49.226.443	33.048.960	30.230.935
Cash and cash equivalent	16.238.777	14.362.874	19.665.688	7.604.457	10.443.853
Net cash position*	14.559.153	14.109.066	19.227.205	7.296.399	10.067.161
Non-current borrowings	5.908.588	1.473.334	3.416.014	1.551.228	1.795.451
Balance sheet total	107.903.348	96.029.908	99.948.026	77.726.989	77.865.616
Basic earnings per share	31/12/2009	31/12/2008	31/12/2007	31/12/2006	31/12/2005
Weighted average number of outstanding shares during the period	1.803.661	1.803.676	1.672.228	1.548.344	1.517.363
Cash flow from operations (EBITDA)/share	3,96	5,44	5,40	4,35	3,54
Income from operations (EBIT)/share	2,81	4,61	4,86	3,78	3,10
Profit for the period/share	1,91	3,43	3,43	2,60	1,86
Capital/share	21,29	21,24	22,78	18,09	17,62
Shareholders' equity/share	31,18	29,74	29,44	21,34	19,92
Diluted earnings per share	31/12/2009	31/12/2008	31/12/2007	31/12/2006	31/12/2005
Weighted average number of outstanding shares during the period	1.803.661	1.803.676	1.672.228	1.548.344	1.517.363
Weighted average number of outstanding dilutive warrants during the year	46.523	53.844	58.178	78.888	112.119
Number of shares after dilution	1.850.184	1.857.520	1.730.407	1.627.232	1.629.481
Cash flow from operations (EBITDA)/share	3,86	5,28	5,22	4,14	3,29
Income from operations (EBIT)/share	2,74	4,48	4,70	3,60	2,88
Profit for the period/share	1,86	3,33	3,31	2,47	1,74

* Net cash position = cash and cash equivalents less short-term borrowings

Consolidated income statement (€)	31/12/2009	31/12/2008	31/12/2007	31/12/2006
Operating revenues	105.341.136	111.458.376	95.872.287	82.678.055
Revenue from ordinary operating activities	102.893.924	109.325.772	95.062.297	81.756.119
Other operating income	2.447.212	2.132.604	809.990	921.936
Operating charges	(100.273.715)	(103.135.367)	(87.740.774)	(76.819.518)
Goods for resale, raw materials and consumables	(43.549.918)	(50.942.253)	(47.802.617)	(42.238.157)
Purchase	(43.093.474)	(53.713.294)	(48.561.672)	(42.336.694)
Inventory variations	(456.444)	2.771.041	759.055	98.537
Services and other goods	(17.122.160)	(17.713.144)	(14.735.202)	(12.339.711)
Personnel costs	(36.394.385)	(31.488.916)	(23.809.907)	(20.212.757)
Depreciation and amortization	(2.070.069)	(1.493.198)	(899.504)	(876.709)
Allowance for doubtful accounts and inventory write off	(874.891)	(1.161.159)	117.696	(361.159)
Provisions	276.090	146.895	(195.132)	(262.399)
Other operating charges	(538.382)	(483.592)	(416.108)	(528.626)
Operating result	5.067.421	8.323.009	8.131.513	5.858.537
Financial income	448.465	641.228	614.168	723.610
Income from financial fixed assets	1.270	16.522	-	-
Income from current assets	133.811	480.047	431.410	193.064
Other financial income	313.384	144.659	182.758	530.546
Financial charges	(1.191.620)	(593.507)	(465.574)	(574.695)
Interests on financial debts	(262.781)	(61.734)	(85.922)	(198.799)
Other financial charges	(928.839)	(531.773)	(379.652)	(375.896)
Net financial income (expense)	(743.155)	47.721	148.594	148.915
Result of operating activities after net finance costs	4.324.266	8.370.730	8.280.107	6.007.452
Taxes	(879.861)	(2.182.770)	(2.546.846)	(1.980.617)
Deferred Taxes	29.345	(168.518)	(368.885)	63.724
Deferred tax income	211.845	123.623	61.507	713.508
Deferred Tax expense	(182.500)	(292.141)	(430.392)	(649.784)
Corporate income tax	(909.206)	(2.014.252)	(2.177.961)	(2.044.341)
Taxes	(1.026.256)	(2.144.343)	(2.182.004)	(2.056.379)
Tax adjustment	117.050	130.091	4.043	12.038
Profit for the period	3.444.405	6.187.960	5.733.261	4.026.835
Share of after-tax profit or loss of associates and joint ventures accounted for using the equity method	-	-	-	-
Consolidated profit	3.444.405	6.187.960	5.733.261	4.026.835
Minority interest	-	-	-	-
Share of the group	3.444.405	6.187.960	5.733.261	4.026.835
Basic earning per share in EUR				
Weighted average number of outstanding shares	1.803.661	1.803.676	1.672.228	1.548.344
Operating result (EBIT) per share	2,81 €	4,61 €	4,86 €	3,78 €
Net profit for the period/share	1,91 €	3,43 €	3,43 €	2,60 €
Diluted earning per share in EUR				
Weighted average number of outstanding shares	1.803.661	1.803.676	1.672.228	1.548.344
Weighted average number of outstanding dilutive warrants	46.523	53.844	58.178	78.888
Number of shares after dilution	1.850.184	1.857.520	1.730.407	1.627.232
Operating result (EBIT) per share	2,74 €	4,48 €	4,70 €	3,60 €
Net profit for the period/share	1,86 €	3,33 €	3,31 €	2,47 €
Comprehensive income				
Net profit for the period/share	3.444.405	6.187.960	5.733.261	4.026.835
Foreign exchange gains & losses	11.583	126.256	(215.910)	(127.285)
Comprehensive income	3.455.988	6.314.216	5.517.351	3.899.550
Share of the group	3.455.988	6.314.216	5.517.351	3.899.550