

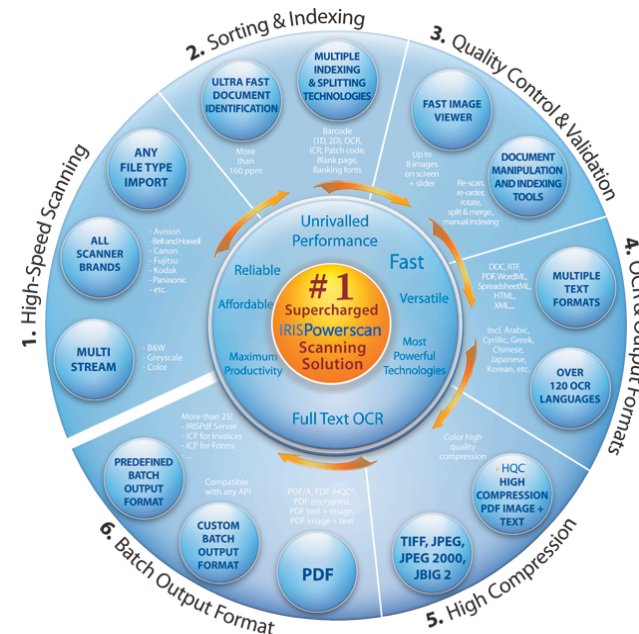
# New Products



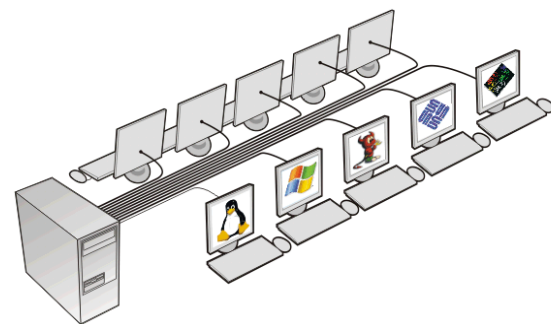
## IRIS Powerscan™

### New Professional Scanning platform

- Very complete product with many new features
- High speed scanning
- Powerful multi-stream architecture
- Designed for efficient color processing
- Powerful document separation and indexing capabilities (barcode, ocr, icr,...)
- Zonal OCR
- Full-page multilingual OCR (130 languages)
- Hyper-compression of documents iHQC™
- Very large number of output formats: Tiff, jpeg, jpeg2000, PDF, PDF-A, PDF-iHQC™, WordML, XML, ODF, ...
- Digital signature, encryption



## IRIS VIRTUAL DESKTOP



is virtualization layers and new I.R.I.S. Client components

### Benefits:

- Access your desktop from anywhere
- Delivers higher computing speed
- Increases reliability
- Makes better use of enterprise resources
- Allow to reduce power consumption dramatically (GREEN)
- Improve scalability, flexibility, security
- Reduce total cost of ownership (TCO) significantly

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# 2008 Half Year Results

## I.R.I.S. mission

Increase our customers' productivity and knowledge through helping them better manage their documents, data and information

## I.R.I.S. Products & Technologies

Develops technologies and products for Intelligent Document Recognition and markets its portfolio on a worldwide basis through strong partnerships

## I.R.I.S. Professional Solutions

Enables companies and administrations to find in one company the innovative expertise and hi-tech solutions to efficiently manage documents, information flows and IT infrastructure



**More than 550 specialists at your service at our sites:** Louvain-la-Neuve and Vilvoorde (Belgium); Orly (France); Windhof (Luxembourg); Amsterdam and Maastricht (The Netherlands); Aachen (Germany); Delray Beach (United States)



# '08 Half Year Key Data



## INCOME STATEMENT

	30/06/2008	30/06/2007	30/06/2006	30/06/2005	Change 2007-2008
Income from ordinary activities	58.100.746	39.586.216	28.228.414	26.317.493	46,8%
Other operating income	679.575	320.945	432.487	424.100	
Operating income	58.780.321	39.907.161	28.660.901	26.741.593	47,3%
Gross margin	28.351.273	21.756.693	18.247.103	14.710.459	30,3%
Cash flow from operations (EBITDA)	5.103.849	3.952.260	2.373.980	2.011.046	29,1%
Income from operations (EBIT)	4.556.817	3.573.994	2.038.901	1.686.299	27,5%
Net financial income	176.707	-86.879	261.526	37.129	
Profit before tax	4.733.524	3.487.115	2.300.427	1.723.428	
Taxes	-1.554.384	-1.223.674	-859.519	-700.229	
Profit for the period	3.179.140	2.263.441	1.440.908	1.023.199	
Group share in the Result	3.179.140	2.263.441	1.440.908	1.023.199	40,5%

## CONSOLIDATED BALANCE SHEET

	30/06/2008	31/12/2007	30/06/2007	30/06/2006
Share capital	38.254.824	38.089.702	38.072.858	27.667.491
Shareholders' equity	51.237.998	49.226.443	44.381.356	31.848.427
Net cash position*	16.513.695	19.227.205	21.154.596	12.380.673
Net financial borrowings	0	0	0	0
Non-current borrowings	1.686.087	3.416.014	1.431.889	1.677.682
Balance sheet total	93.592.931	99.948.026	75.973.182	57.089.402

## Basic earnings per share

	30/06/2008	30/06/2007	30/06/2006	30/06/2005
Weighted average number of outstanding shares during the period	1.804.865	1.566.034	1.544.758	1.476.825
Cash flow from operations (EBITDA)/share	2,83	2,52	1,54	1,36
Income from operations (EBIT)/share	2,52	2,28	1,32	1,14
Profit for the period/share	1,76	1,45	0,93	0,69
Capital/share	21,20	24,31	17,91	17,29
Shareholders' equity/share	28,39	28,34	20,62	18,48

## Diluted earnings per share

	30/06/2008	30/06/2007	30/06/2006	30/06/2005
Weighted average number of outstanding shares during the period	1.804.865	1.566.034	1.544.758	1.476.825
Weighted average number of outstanding dilutive warrants during the year	57.524	55.768	74.008	118.953
Number of shares after dilution	1.862.388	1.621.802	1.618.766	1.595.779
Cash flow from operations (EBITDA)/share	2,74	2,44	1,47	1,26
Income from operations (EBIT)/share	2,45	2,20	1,26	1,06
Profit for the period/share	1,71	1,40	0,89	0,64

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

# Steady growth



Etienne Van de Kerckhove, CEO: During this first half of 2008, I.R.I.S.



has increased operating income by 47.3% to €58.8 million. The gross margin (which is the key indicator used to measure I.R.I.S.'s growth) was up 30.3% to €28.4 million. Both divisions are showing strong growth. The start of the year has seen the signing of excellent contracts in both software publishing and solutions integration. Our solutions are in strong demand because they offer our customers improvements in productivity, quality of work and customer service, and they meet the stricter requirements for legal archiving.

We significantly increased the size of our teams in previous years, which now enables us to meet this demand and deliver more solutions."

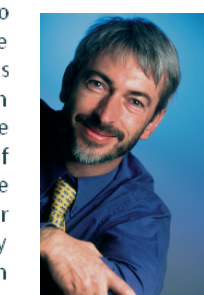
Income from operations (EBIT) increased by 27.5%, to €4.6 million. Costs are obviously increasing, essentially due to staff costs. These relate to increased research and development efforts and cost for resources required to deliver on contracts we have won. At this stage, we have a workforce of over 550 and expect to make further recruitments in the months to come.

The cash flow from operations (EBITDA) is up by 29.1% to €5.1 million.

The increased business and profitability from operations has resulted in an increase to net profit of 40.5% at €3.2 million after financial income of €0.2 million and taxes (€1.6 million). The effective tax rate was 32.8% compared to 35.1% in June 2007.

At 30 June 2008, the Group's net cash position was €16.5 million. I.R.I.S.'s financial debts of €1.0 million mainly related to the acquisition of buildings in Louvain-la-Neuve and Vilvoorde. Consolidated shareholders' equity is €51.2 million.

Pierre De Muelenaere, President & CEO: "I.R.I.S.'s outlook for the 2008 financial year is confirmed and continues to look good. The first half of the year has again ended with record profits. Our order was up at the end of June 2008. Our products are continuing to attract major international customers and were noticed at various internal shows.



Our professional solutions provide our customers with considerable added value, which limits the impact of a potential economic slowdown. Management's view is that the 2008 financial year will conform to the business plan and provide significant growth in the gross margin and profits."

