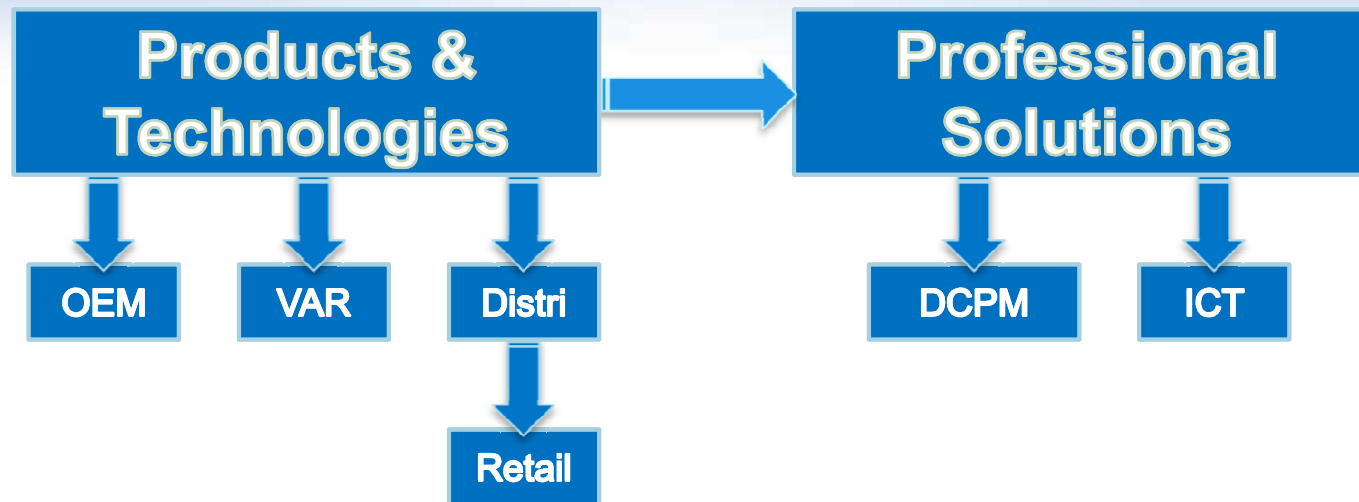




H1-2008 results

Embargo until 17:45 on August 29, 2008



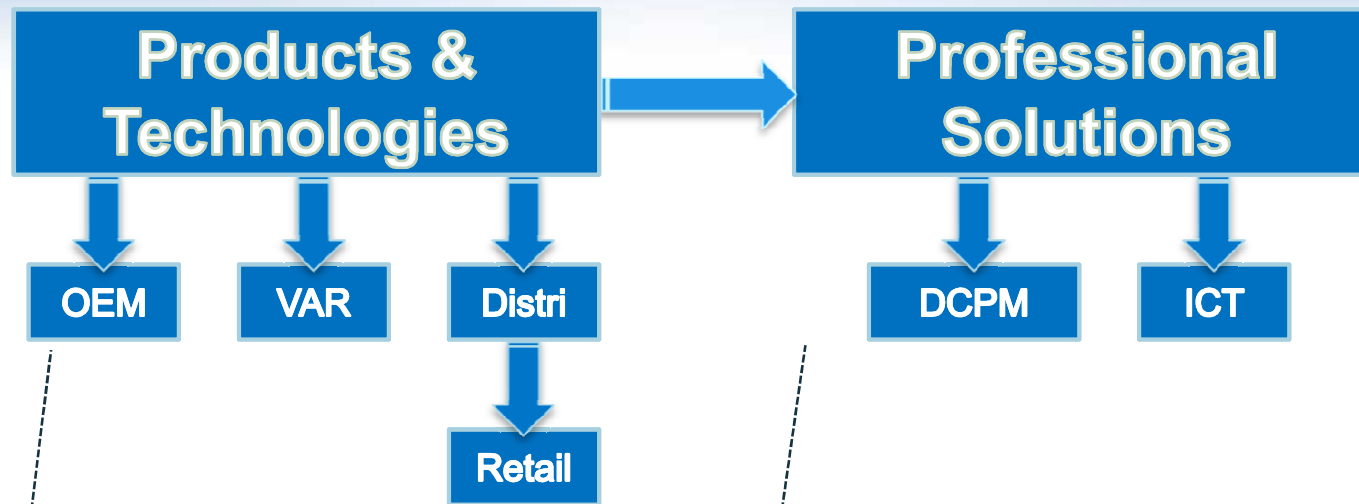
I.R.I.S. Products & Technologies

Develop technologies and products for Intelligent Document Recognition and market this portfolio on a worldwide basis through strong partnerships

I.R.I.S. Professional Solutions

Enable companies and administrations to find in one company the innovative expertise and hi-tech solutions to efficiently manage electronic documents, information flows and IT infrastructure to increase their productivity and knowledge

I.R.I.S.' mission :
Increase our customers' productivity and knowledge through helping them better manage their documents, data and information

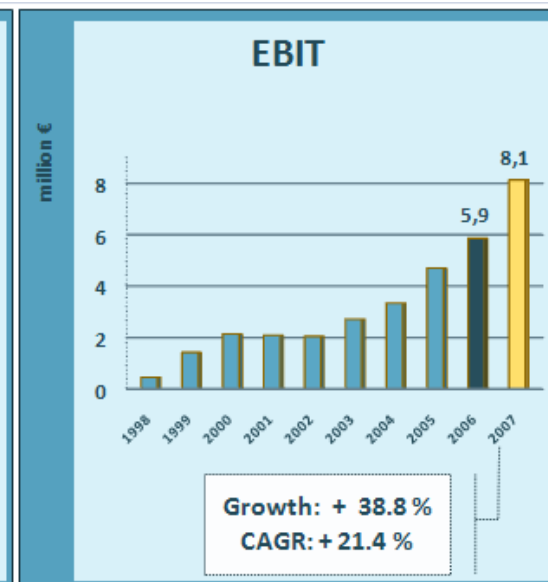
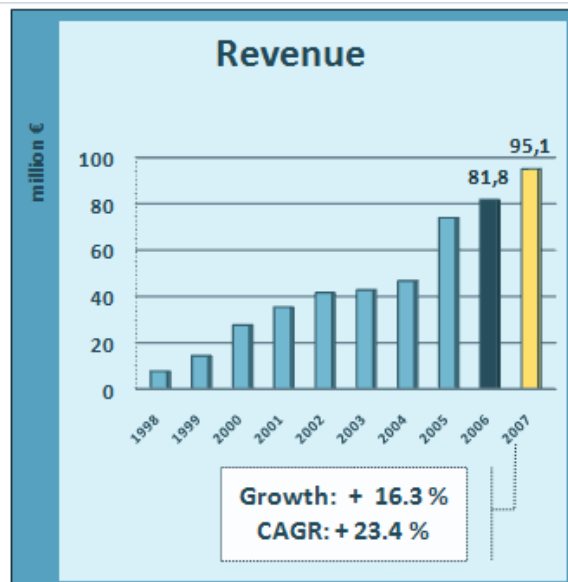


- **100+ OEM and VARs** licensing I.R.I.S.' technologies & integrating I.R.I.S.' professional products
- **40+ distribution partners** in 90+ countries
- Numerous **resellers, retailers, etailers** (4.000+ computers shops)
- **30+ millions users** of I.R.I.S. OCR Technologies on a world-wide basis

- 1.100 Large Accounts for **Document, Content & Process Management** and **Complex IT infrastructure**
- 650 Large Accounts for **Intelligent Document Recognition** (form reading, invoice reading, classification, ...)
- 350 Large Accounts for combined **Document Capture and Document Management solutions**
- **Very large projects at the EU**

Background

- A great performance in 2007, with an outstanding H1-2007
- Objectives for 2008
 - Continue the 2003-2007 trends in growth & profitability
 - Keep a high level of investments in R&D and marketing
 - Focus on market penetration and acquisition of new customers
 - Increase cross-selling efforts



2008 – Actuals



2008 – continued growth

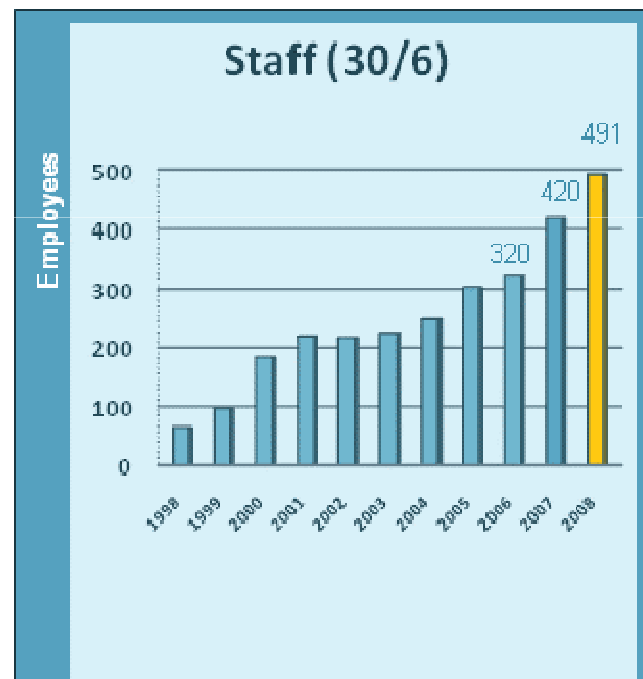


- Sustained demand for our products
- Revenue and Gross margin growth
 - Great commercial successes for both divisions
 - Introduction of new technologies
 - Projects delivery on track
 - Integration of MorningStar Systems and Docutec in line with 2007 acquisition plan
 - Strong recruitment and staff expansion



2008 – continued growth

- Continued efforts in staffing
- 491 employees



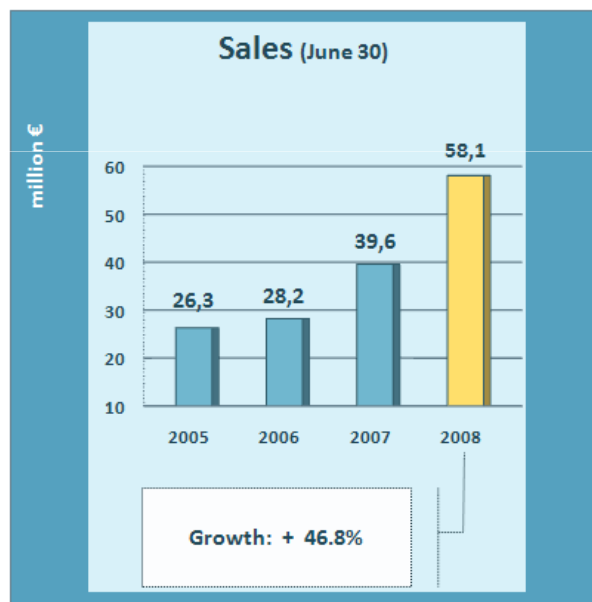
- Total employment > 550

2008 - repeated Strong H1

- Strong increase of Sales and Gross Margin

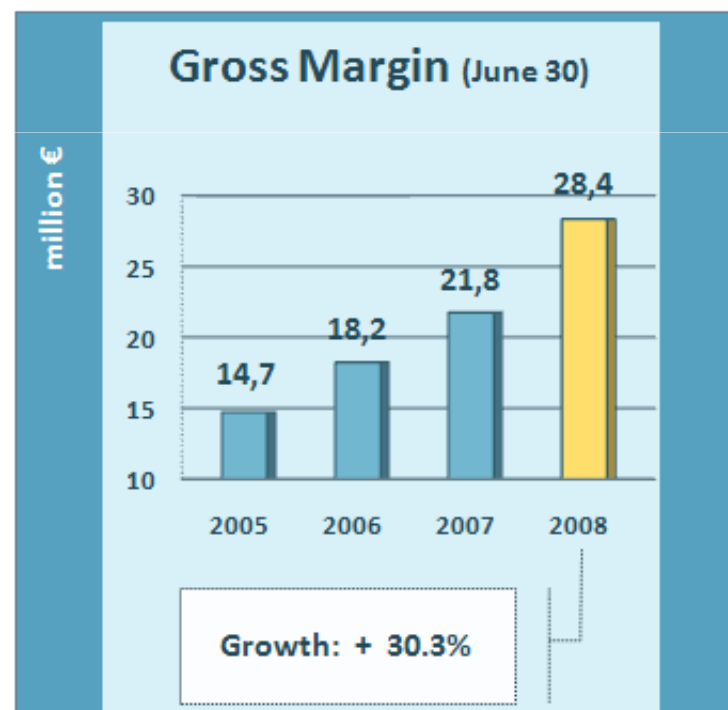
Sales (June 30)

(EUR '000')	2005	2006	2007	2008	VAR	CAGR
June 30						
Sales	26.317	28.228	39.586	58.101	46,8%	30,2%



Gross Margin (June 30)

(EUR '000')	2005	2006	2007	2008	VAR	CAGR
GM	14.710	18.247	21.757	28.351	30,3%	24,4%

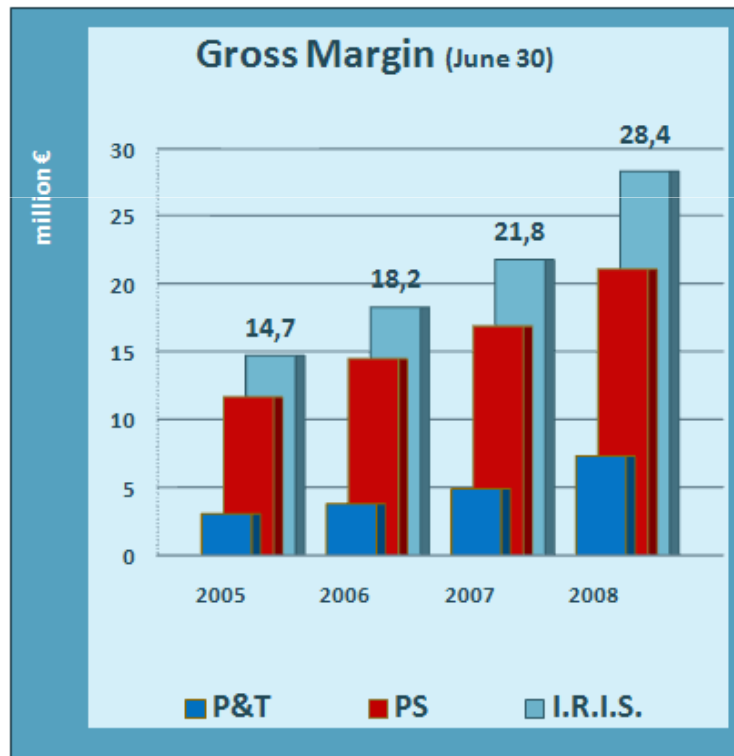


Strong Gross Margin growth

Gross Margin Increase

(EUR '000')

June 30	2005	2006	2007	2008	VAR	CAGR
P&T	3.064	3.793	4.903	7.294	48,8%	33,5%
PS	11.646	14.454	16.854	21.057	24,9%	21,8%
I.R.I.S.	14.710	18.247	21.757	28.351	30,3%	24,4%



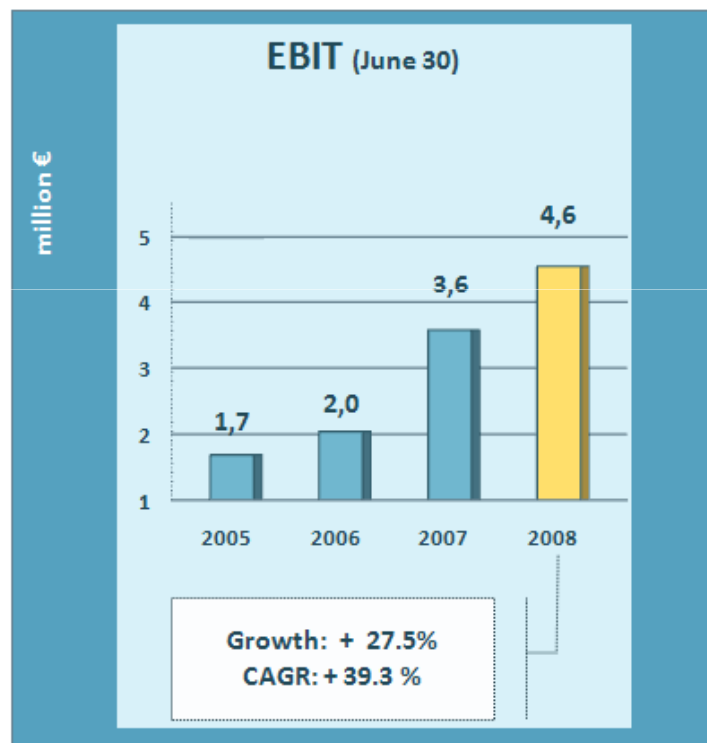
- Strong H1 for both divisions
- Drivers:
 - New or extended partnership (eCopy, HP)
 - New technologies (iHQC, PowerScan)
 - New large accounts
 - Numerous success stories
- Successful integration of newly acquired subsidiaries
- Despite US\$ negative impact

Significant EBIT growth

EBIT Growth

(EUR '000')

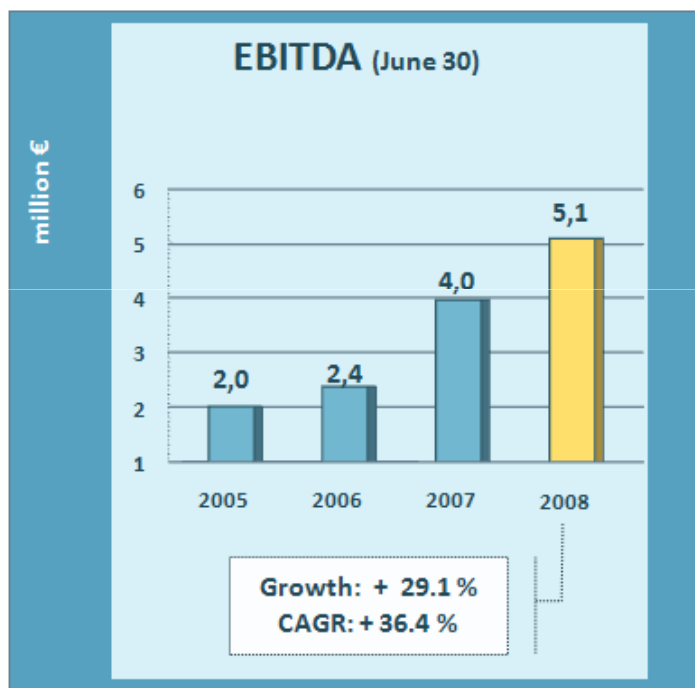
June 30	2005	2006	2007	2008	VAR	CAGR
EBIT	1.686	2.039	3.574	4.557	27,5%	39,3%



- Increasing (but controlled) expenses
 - R&D investment
 - Marketing
 - New human resources
- Conservative accounting : R&D recognized as expense

Significant EBITDA growth

EBITDA Growth						
(EUR '000')						
June 30	2005	2006	2007	2008	VAR	CAGR
EBITDA	2.011	2.374	3.952	5.104	29,1%	36,4%



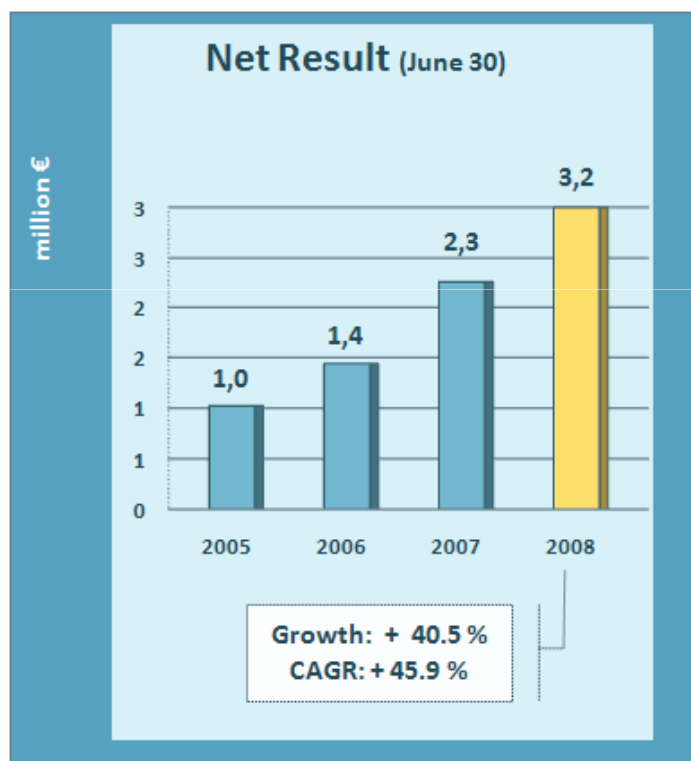
- Strong and record H1 EBITDA
+29.1%

Record Net result

Net Result Growth

(EUR '000')

June 30	2005	2006	2007	2008	VAR	CAGR
Net Result	1.023	1.441	2.263	3.179	40,5%	45,9%



- Financial results €177K vs (€87K) in H1-07
- Effective tax rate of 32.8% (30/6/2008)
Vs 35,1% (30/6/2007)
 - Notional interest deduction
 - Effect of taxes in Holland
- Net Result +40.5%

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%

Balance sheet

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

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

- **Strong equity position: 51.2 m€**
- **Strong net cash position: 16.5 m€**
- **Undrawn credit facilities**

Per share data

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
<hr/>				
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

- Strong improvement of the ratios

Shares

<u>Dates</u>		<u>Capital</u>	<u>Shares</u>
31/12/2007	Situation at the beginning of the year	€ 38.089.701,77	1.837.207
22/04/2008	Capital increase in cash - Exercise of warrants from stock option plan	€ 165.121,85	6.715
30/06/2008		€ 38.254.823,62	1.843.922

2008 Outlook



Sustained market demand

- Market
- Strong focus from top management on our products and solutions
 - Higher quality of work or customer service
 - Corporate governance and regulatory compliance
 - Efficiency and cost reduction efforts

**Market fundamentals
remain positive**

- Company
- Great deals were signed
- Great successes with our partners and customers
- Successful acquisitions
- Investment in key initiatives
- Increased backlog

**Company outlook in line
with expectation**

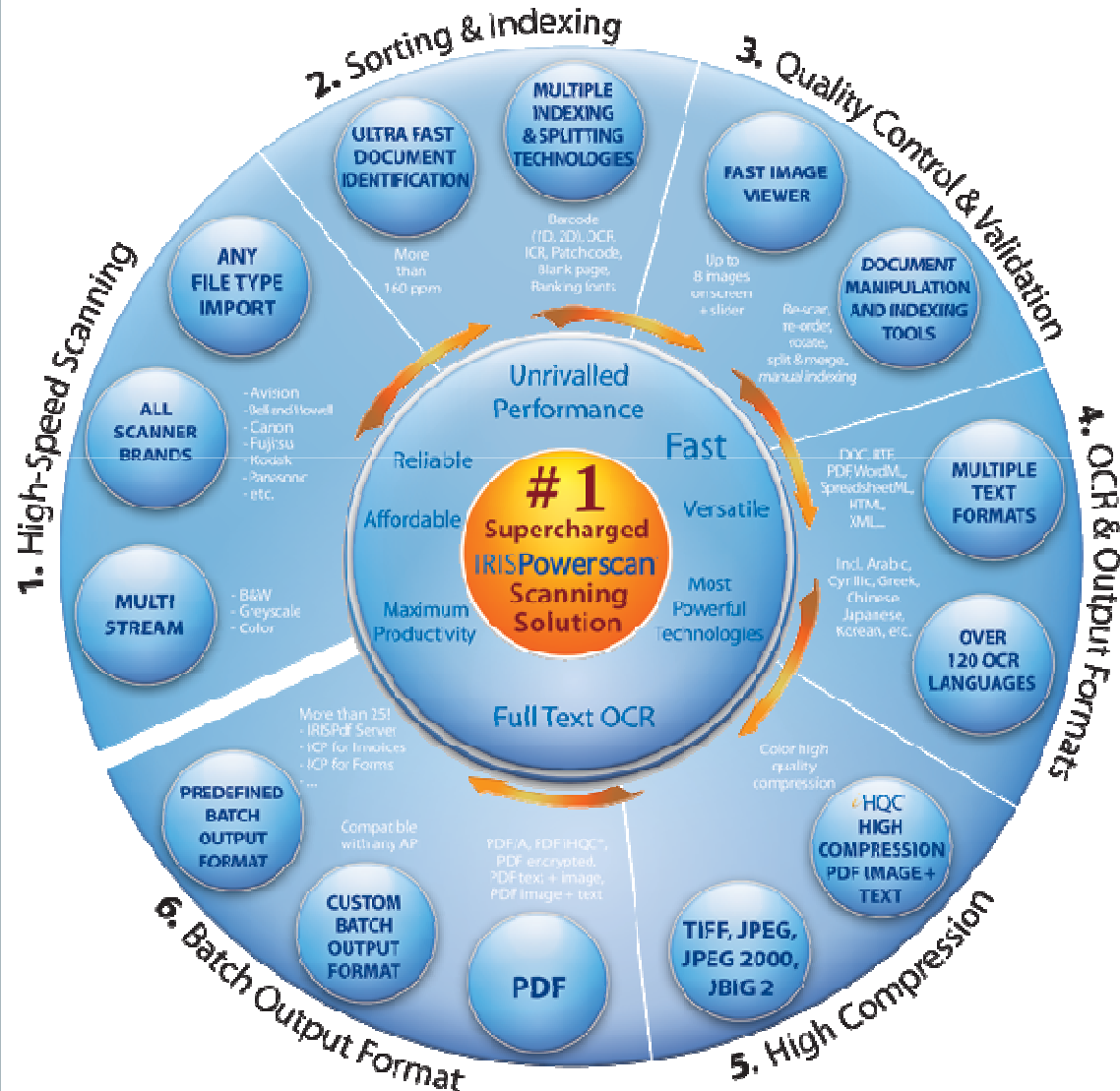
I.R.I.S. releases new technologies



IRIS POWERSCAN (02/2008)

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
- Etc.



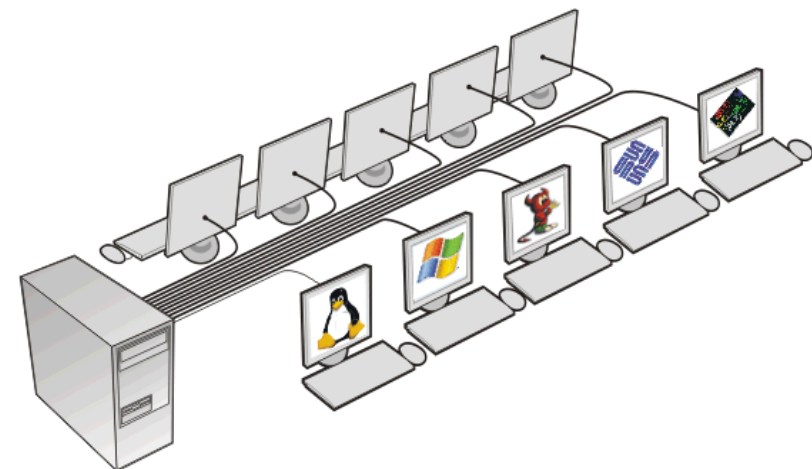
I.R.I.S. releases new technologies



IRIS VIRTUAL DESKTOP

- Uses virtualization layers and new I.R.I.S. Client components
- Key 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

• ICT - Virtualization



Outlook Conclusions

- Management believes the business plan for 2008 will be achieved resulting in an increase of:
 - Gross Margin
 - EBIT
 - Net Result
- } for the full year

Q&A

