

Press Release

3Q11 report confirms the solid recovery of profitability Steady double digit growth of revenues, return to net profit DISO Group is back on the right track

Stuttgart, November 7, 2011 - Digital Identification Solutions AG (DISO), a leading international ID solutions provider, approved today the 3Q11 report.

9M11 Total revenues: €22.9 million (+28.2% yoy)

9M11 EBIT: €1.0 million (was negative in 9M10)

9M11 Consolidated net profit: €0.7 million (€0.4 million loss in 9M10)

DISO AG (D7S.GR) Board of Directors approved today the consolidated 9M11 report.

During the first nine months of 2011, the DISO Group managed to increase the **revenues** with an significant improvement of the profitability; based on the current figures and on the outlook for the final quarter, not only this will be the first year of return to consolidated net profit (the last time being 2007) but it looks like 2011 will mark highest ever recorded net profit by the company.

Recurrent business (including consumables and spare parts) and new contracts increased total sales by 28.2% to €22.1 million; at the same time total cost grew by 17.5%, so that **operating income** is again in the positive ground (€1.0 million).

Consolidated **net profit** in 9M11 is in excess of €0.7 million, whereas in 9M10 the Group recorded a loss of €0.4 million.

Net financial position is positive for 1.3 million; trade receivables remained substantially stable at €3.9 million (€3.8 million at the end of 2010) with trade payables declining at €6.1 million (€7.0 million at the end of 2010).

Sandro Camilleri, DISO Group's CEO, commented: *"We are pleased with the current company development both in terms of revenue growth and more importantly we are back on the right track of delivering profit to shareholders. We are committed to further develop the company which has in our opinion a significant additional potential".*

About Digital Identification Solutions

The Digital Identification Solutions Group (D7S.GR) is a global provider of advanced identification solutions with a worldwide install base of more than 11,000 systems. In October 2009, the Group introduced to the world market the latest *EDISecure® X1D* Retransfer Printer generations for distinct Business Line segments, as well as a much enhanced Professional Line Portfolio in combination with new Inline Lamination Modules. The Professional Line Portfolio will support multiple new modules in the forthcoming future, as well as the revolutionary LCP 9000 Laser Color Personalization System. The company has its own sales, marketing, logistic and support centers in Germany, Italy, the United Arab Emirates, Singapore, China, the United States and Mexico. 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

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CONSOLIDATED INCOME STATEMENT

Data in €/000	9M11	9M10	%	2010
Total revenues	22,098	17,230	28.2	25,925
Other operating income	520	696	-25.3	802
Internally produced and capitalised assets	257	432	-40.5	710
Total Income	22,875	18,358	24.6	27,437
Cost of materials	-12,702	-9,342	36.0	-14,524
Personnel cost	-4,964	-5,236	-5.2	-6,609
Amortisation and provisions	-667	-785	-15.0	-966
Other operating costs	-3,525	-3,233	9.0	-5,591
Total cost	-21,858	-18,596	17.5	-27,690
Operating income	1,017	-238		-253
Financial income	-82	-21		-24
Gross profit/loss	935	-259		-277
Income tax	-212	-115		-371
Net profit/loss	723	-375		-648

IAS/IFRS compliant

CONSOLIDATED NET FINANCIAL POSITION

Data in €/000	30/09/11	31/12/10	30/09/10
Bank loans and overdrafts	-201	-145	-465
Due to banks	-1,900	-953	-
Total debts	-2,101	-1,098	-465
Cash and cash equivalents	3,447	3,455	1,289
Net financial position	1,346	2,357	824