

**2008 Annual results: Excellent full-year performance****Annual turnover: €28.5m (+20%)****Operating income: €3.5m (+62%), i.e. 12.4% of turnover**

Suresnes, March 10, 2009: XIRING, the European leader in security solutions for remote transactions, has reported for the 2008 financial year, 20% organic growth in turnover, to €28.5m. For its part, operating income increased by over 60%, to €3.5m, and corresponds to a margin of 12.4% on turnover.

Audited financial statements (Millions of euros)	Dec 31, 2008	Dec. 31, 2007	Change %
Turnover	28.50	23.78	+20%
Operating income	3.54	2.18	+62%
% of turnover	12.4%	9.2%	
Operating income from continuing activities	2.99	2.17	+38%
Net income	2.89	2.33	+24%
% turnover	10.2%	9.8%	

Georges Liberman, Chairman and CEO states: *"I am particularly proud of XIRING's performance in 2008 as, yet again, we have fulfilled our commitments in terms of turnover and have even exceeded our profitability target. While the uncertain economic outlook leads us to be somewhat prudent in terms of our 2009 targets, it does not pose any threat to the pressing need to secure remote transactions or the prospects for development. XIRING benefits from technological, commercial and financial advantages to meet European market demand for online banking and e-commerce security, as well as demand from the healthcare markets."*

2008: Yet another year of growth ...

XIRING hit its stated annual turnover growth target of 20% over the prior year, and achieved sales of €28.5m. Turnover from its Banking business was up by 24.2% compared with 2007 and reached €15.7m. Its Healthcare business achieved a 17.3% rise in turnover, to €10.9m. Accordingly, XIRING's turnover has increased more than two-fold in two years.

... and profitability...

XIRING actually outperformed the operating margin target announced at the beginning of the year (*above 7%*) and the revised target announced last September (*above 8.5%*). For the full-year 2008, operating income amounted to €3.5m. This corresponds to a margin of 12.4% on turnover and represents 62% growth. This growth includes a tax credit of €750k for research & development activities. Excluding this tax credit, operating income growth exceeded the target and reached 9.8% of turnover.

... with a solid financial situation marked by the absence of debt, €17.5m of shareholders' equity and financial flexibility via a net cash position of €3.4m at December 31, 2008.

Outlook

XIRING is present in high growth markets.

- ❖ In its Healthcare activity, XIRING aims to maintain its leadership position in SESAM-Vitale business solutions by building on growth drivers such as the deployment of the Vitale 2 healthcare benefits card, upgrades to the SESAM-Vitale system architecture and the integration of additional insurance benefits.
- ❖ In its Banking activity, strong potential in the strong authentication solutions market is underpinned by the growth in e-commerce and remote banking and their associated security needs.

On January 20, 2009, XIRING announced a turnover target of €30m for the current year, with a possible variation of +/-10%, depending on the pace of banking solutions deployment in the second half of 2009.

For the full-year 2009, XIRING has set itself a target for operating profitability in excess of 7%.

Next rendezvous: April 14, 2009: Publication of 1st Quarter 2009 turnover figures

About XIRING

Created in 1998, XIRING is a security solutions provider and develops security software embedded in smart card readers for strong authentication and digital signature. XIRING has distributed over 10 million strong authentication solutions based on banking cards and compliant with MasterCard and Visa programs, and is the leader of the professional solutions market for the SESAM-Vitale French healthcare scheme. In 2008, XIRING posted a turnover of €12.9 million up 20% and an operating margin of €3.5 million up 62%. XIRING is listed on the Alternext compartment of the NYSE-Euronext Paris exchange since September 18, 2006. ISIN code: FR0004155612, Mnemonic: ALXIR.

More information: <http://www.xiring.com>
 <http://www.remotecardauthentication.info>
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