



XIRING: Q4-2009 turnover stable at €9.3m
Revised annual objective reached at €25.5m
New initiatives underway for Healthcare and for e-ID

Suresnes, 12 January 2010: XIRING, a security solutions provider for electronic transactions, today announced a turnover for the fourth quarter of 2009 of 9.3 million euros that is stable compared with the fourth quarter of 2008. XIRING also reached its revised target annual turnover of 25.5 million euros, ending the 2009 financial year down 10.4% from the 2008 financial year.

In 2009, XIRING reached its target turnover which totaled 25.5 million euros, in line with the adjusted guideline issued in September 2009 (€25 to 26m).

Turnover from the Banking activity generated in 2009 by the strong authentication solutions based on bank cards reached 8.0 million euros, compared with 15.7 million euros in 2008, i.e., -49%. For the fourth quarter, turnover from the Banking activity reached 2.7 million euros, compared with 6.0 million euros, i.e., -55%. These figures were the result of the postponed implementation of the new programmes until 2010, which in no way jeopardizes them. The Banking activity was sold to Gemalto as of 31 December 2009.

The Healthcare activity posted a turnover of 16.4 million euros, up 50% compared with the 2008 financial year (10.9 million euros). This performance illustrates the success and relevance of XIRING's SESAM-Vitale professional solutions in France and its dynamism in a shaky worldwide economic climate. The contribution of the fourth quarter was exceptionally high at 6.0 million euros, up 93% (3.1 million in 2008).

The international portion of the turnover from the Healthcare activity has exceeded one million euros for the first time. This performance reflects XIRING's ability to internationalise its Healthcare activity and made it possible to reach the annual objective set when the "Xi-Plus 5" terminal was launched in Germany.

Highlight in Q4-2009: Sale of XIRING's Banking activity to Gemalto

On 16 December, XIRING and Gemalto announced the acquisition of XIRING's Banking activity by Gemalto. Taking effect as of 31 December 2009, the transaction, against a cash

payment of 20 million euros, covered all activities concerning strong authentication solutions based on EMV standards for online banking and e-commerce.

Proposal of an exceptional dividend

The sale of the Banking activity for a cash payment of 20 million euros has resulted in a significant amount of available cash. As a result, a proposal for an exceptional dividend of €3.20 per share shall be submitted for the approval of the General Shareholders' Meeting to be held in late March 2010.

This dividend corresponds to the distribution of the net profit available from the transaction.

Strategy and outlooks

XIRING will now concentrate on the Healthcare and e-ID markets.

In Healthcare, XIRING, the leading provider of SESAM-Vitale terminals operates in a market with strong growth potential in France and on an international scale.

In e-ID, XIRING's ambition is to be a key player in this new market. XIRING's offer is based on its expertise in solutions for securing workstations and mobile checkpoint solutions for the new secure electronic identification documents such as electronic ID cards and biometric passports.

Georges Liberman, Chairman and CEO, stated: *"The end of the year was marked by the sale of the Banking activity that we built over the past ten years. We will now progressively position ourselves within the international healthcare markets as we have already started to do in Germany. Our Healthcare activity increased from 6.7 million euros in 2006 to 16.4 million euros in 2009, representing an annual average growth of 35%. The e-ID markets represent great potential and we will invest in these with national projects in several countries. Such action has begun already, with XIRING having been chosen to equip the French Gendarmerie Nationale with smart card readers to secure its workstations. XIRING therefore intends to continue its profitable growth in these markets."*

Target growth and profitability for 2010

XIRING has set a target of 20 million euros in turnover (+14% on a like-for-like basis) and a target of an operating income exceeding 14%.

The results of the 2009 financial year shall be released on 09 March 2010, at the closing of the Paris stock exchange.

About XIRING

XIRING, a security solutions provider for electronic transactions, develops security software embedded in smart card readers and terminals for strong authentication and electronic signatures. XIRING is the market leader in SESAM-Vitale healthcare terminals for generating and signing electronic medical claim forms or for updating healthcare cards in France and also works alongside authorities in the field of healthcare system dematerialization in international markets. In the area of electronic identity (e-ID), XIRING proposes a broad range of solutions for public authority staff and citizens to meet the latest market challenges with secure electronic identity documents systems: national electronic identity cards, electronic passports, public transport cards, professional cards...

In 2009, XIRING posted a turnover of 25.5 million euros. The company is listed on the Alternext compartment of the NYSE-Euronext Paris stock exchange.

For further information: www.xiring.com

CONTACTS

XIRING

Press relations

Leslie Jung

Tel: +33 (0)1 46 25 80 23 - pressoffice@xiring.com

Investor relations

invest@xiring.com

ACTIFIN

Anaïs De Scitivaux

Tel: +33 (0)1 56 88 11 14 - adescitivaux@actifin.fr