



PRESS RELEASE

Very good results for the first half of 2011
H1 2011 Operating result: €1.56m, a 55% increase
(operating margin of 17.7%)
H1 2011 Net result: €2.9m

Suresnes, France, September 13, 2011: XIRING, a security solutions provider for electronic transactions, announces for the first half of the 2011 financial year an operating result of €1.56m, representing 17.7% of turnover, which is a significant increase from the same period in 2010.

in €m, not audited	H1 2011	restated* H1 2010	variation	released H1 2010
Turnover	8.8	7.9	+11%	9.5
Operating result	1.56	1.0	+55.2%	1.0
<i>% of turnover</i>	<i>17.7%</i>	<i>12.7%</i>		<i>10.6%</i>
Current result before taxes	1.64	1.15	+43.3%	1.15
<i>% of turnover</i>	<i>18.7%</i>	<i>14.5%</i>		<i>12%</i>
Exceptional result	1.27**	0		0
Net result	2.9	1.0	+191.6%	1.0

* The released H1 2010 accounts included a remainder from the management of the end of a bank authentication contract completed on behalf of the purchaser of this activity.

** Write-back of the warranty provision granted upon transfer of the bank authentication activity.

During the first half of the year 2011, XIRING achieved a turnover of €8.8m, representing an increase of 11% compared with the restated turnover of 2010. The operating result amounted to €1.56m, representing an operating margin of 17.7%. Net income was of €2.9m after a provision write-back of €1.3m.

Georges Liberman, Chairman and CEO, stated: *"The results of the first half of 2011 are indeed in significant increase. The new strategic-development plan set up last year in order to sustain growth for the company for the years 2011 to 2014 is in line with its roadmap".*

Highlights

XIRING's e-Health activity was sustained during the period with the launch of PAYPHARMA, the first bank-card payment XIRING solution, the launch of a complete line of solutions aimed at healthcare centers, and the pursuit of VITAL'ACT new generation sales, the portable solution for healthcare professionals.

Concerning the e-ID activity, given the recent and numerous attacks on public IT, the Council of Ministers of May 25, 2011, decided to strengthen the security of workstations in French government offices. This decision is going to accelerate the development of the French secure smartcard readers market on which XIRING is already well positioned, with the equipment of the French *Gendarmerie Nationale* in 2010 and the win of a public call for tenders by the French UGAP (Government Purchases Agency) in February 2011.

The French National e-ID card scheme also passed a significant hurdle with the adoption of the legislative bill by the French National Assembly on July 7th and its submission to the Senate for review. The final vote should take place during the fourth quarter.

A solid financial position

Without financial debt, and with €20.8m in equity and cash flow of €8.6m (after the payment of the 2010 dividend), XIRING has a very solid financial position.

Outlook

XIRING is confident as regards the development of its markets. e-Health schemes are starting up in several European countries, the French securing of government workstations is expanding, the launch of the French National e-ID card is imminent and a smart-card driving license should be available in France in early 2013. All of these prospects confirm XIRING's growth potential.

Next press release: October 18, 2011: Publication of turnover for the 3rd quarter of 2011

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: electronic national identity cards, electronic passports, public transport cards and professional cards. XIRING is listed on the Alternext compartment of the NYSE-Euronext Paris stock exchange. For further information: www.xiring.com

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