

Marne-la-Vallée, 17 January 2012

2011 REVENUE: €43.2M
STRONG GROWTH (35%)



€ millions	2011	2010	Change
1 st quarter	9.0	6.5	+40%
2 nd quarter	11.3	8.9	+26%
1 st half	20.3	15.4	+32%
3 rd quarter	9.9	8.1	+23%
4th quarter	12.9	8.5	+53%
Total	43.2	32.0	+35%

- **A record fourth-quarter 2011**

In the 2011 fourth quarter, the Group had record sales of €12.9 million, up from €8.5 million in the same quarter last year on growth of **more than 50% for this period**.

Full-year sales registered **robust growth of 35%** to €43.2 million. This performance includes **strong organic growth of 28%** and LSA's integration as of 1 January 2011.

Contributions from new business accounted for €5.3 million in revenue for the full year (up from €3.0 million in 2010) driven by sustained commercial momentum over the entire period.

- **Revenue by application**

€ millions	2011		2010		Variation	
Identity documents	21.0	49%	14.3	45%	6.8	+47%
Vehicle identification	10.3	24%	9.1	29%	1.2	+13%
Brand protection	7.2	17%	3.9	12%	3.3	+85%
Fiduciary documents	3.9	9%	3.2	10%	0.6	+19%
Other	0.7	2%	1.5	5%	-0.7	-49%
Total	43.2	100%	31.9	100%	11.3	+35%

All sectors registered gains in 2011. Growth was driven mainly by the market for identity documents (+€6.8m) that was up 47% from the last year. This strong performance reflected in large part a return to normal volumes for passports (following a temporary decline at year-end 2009/early 2010 linked to inventory drawdowns in certain countries) plus the addition of significant new references.

Sales in the fiduciary market rose 19% and vehicles 13%. The rise in the brand production market (+€3.3m) reflects the integration of Label Systems Authentication's business. Only the segment "Other" registered a decline following the deconsolidation as of 1 February 2011 of the public service delegation held by the subsidiary HIDS.

Among the €43.2 million revenue, the digital activities originating from the strategy of technological diversification represented sales of €3.7 million in 2011, up 10% from the prior year.

- **Revenue by geographical market**

For the first time in 2011 **markets outside of Europe accounted for half** of Hologram. Industries sales. This is an outcome of the strategy of geographical expansion pursued by the Group over recent years.

Highlighting this trend, sales in Asia almost tripled to reach €11.2 million. This figure includes €3.1 million from orders for US customers. After adjusting for this item, the US would account for 22% of total sales revenue in 2011.

<i>€ millions</i>	2011		2010		Variation	
Western Europe	14.4	33%	13.1	41%	1.3	+10%
Eastern Europe	7.9	18%	6.2	19%	1.7	+27%
Rest of the world	20.9	49%	11.0	40%	8.1	+65%
<i>Of which: The Americas</i>	6.5	15%	6.7	21%	-0.2	-2%
<i>Of which: Asia Pacific</i>	11.2	26%	4.0	13%	7.2	+180%
<i>Of which: Africa Middle East</i>	3.1	7%	2.0	6%	1.1	+56%
Total	43.2	100%	31.9	100%	11.3	+35%

Sales like-for-like grew 10% in Western Europe and 27% in Eastern Europe. At constant exchange rates, the level of activity in the Northern American area in line with last year.

- **Acquisition of Bussy Industries shares**

At the end of 2011, the company acquired the shares of the French property investment partnership (SCI), Bussy Industries that had been directly held by Hugues Souparis. This entity owns a real estate complex with a total area of 7.800 m² primarily destined for use for Hologram. Industries operating activities and offices.

The purpose of this acquisition is to enable Hologram. Industries to:

- directly acquire a functional real estate complex specifically adapted for the exercise of the company's activities linked notably to the site's security, and;
- have access to a reserve of additional land necessary for the development of its operations.

With this acquisition the rental charge (€0.6 million) in the consolidated financial statements will be replaced by a depreciation expense.

The transaction, previously authorised by the Board of Directors, was based on a market value for the property of €6.5 million as determined by two independent appraisals.

In light of the residual debt owed to the finance lessors on the transaction date, the value of the securities amounted to €4.3 million. This amount was refinanced by a 10-year bank loan.

- **Industry awards**

Just a few months after receiving the prize for “Best Security Feature” granted by the International Association of Currency Affairs (IACA) for the first banknote application of the DID® technology, the DID® Patch for the 500 and 1,000 Philippine peso denominations subsequently received the “Best Applied Security Product” prize awarded by the IHMA (International Hologram Manufacturers Association). These industry awards in the fields of security optics and banknotes strengthen our Company's image in a sector with significant growth prospects for the coming years.

- **Outlook**

Given the level of repeat business for all sectors of activity and continuing strong commercial momentum, the Group expects sales growth for 2012 at least to remain on track with the historic average of the last five years.

On that basis, Hologram. Industries should reach its "medium-term" target of €50 millionⁱ through sustained expansion of its product portfolio on the strength of its strategy of ongoing innovation.

Next press release: 2011 annual results:

Tuesday, 6 March 2012 (after the close of trading on NYSE-Euronext Paris)

Hologram. Industries is a provider of high security anti-counterfeiting solutions for:

- Identity documents
- Vehicle documents
- Brand products
- Fiduciary documents;
- Identifying and searching for illicit digital content

In 2011 the Group had sales of €43 million. The expertise of Hologram. Industries is based on two major technology areas: computing and optics

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ⁱ Analysts meeting of October 12, 2010