



IMAGE RECOGNITION INTEGRATED SYSTEMS GROUP S.A.
(Abbreviated as I.R.I.S. Group)

Regulated information

Louvain-la-Neuve, 17 May 2010

Trading update

At the end of the first quarter of 2010, I.R.I.S. Group posted results that are flat compared to Q1/2009. But this is not very significant, as the sales and delivery cycle generates more revenues in the second quarter, and even more in the second half of the year which should again be decisive.

Pierre De Muelenaere, President & CEO: “At this point in time, it seems that FY2010 could turn out to be very similar to FY2009. Capital expenditures in the private sector are still very much under pressure. Even the public sector puts some projects on hold. The hardware sales remain more impacted than software and services.

However, despite these uncertainties, the Group’s order backlog is slightly higher at the end of March 2010, compared to March 2009. We signed contracts and completed projects that reflect the ability of I.R.I.S. to enable customers to increase their business efficiency, i.e. the implementation of an Enterprise Content Management system and development of a dynamic website at the Belgian Federal Public Service for Economy, several projects in the private sector, like several law firms (i.e. Lenz & Staehelin (CH), Trip Advocaten & Notarissen (NL), Simmons & Simmons (NL)), Kröfel (B), BGL BNP Paribas (L), DKV (B), GlaxoSmithKline (B), etc. We also increased our international presence, namely through new local business partners as Trade Up Distribution AG, Alltron AG and Brack Electronics AG.

Under the current circumstances, we remain prudent with respect to costs; but we have not deferred investments in our 2010 roadmap, which will enable I.R.I.S. to continue innovating in proprietary technologies and in high-value business solutions.

I.R.I.S. has a sound financial structure, characterized by a large shareholders’ equity, a positive net cash position and undrawn committed credit facilities of € 14.5 million

We expect to post an operating profit for the first six months of 2010, with an upward trend for the second half year.”

Financial calendar and financial information

Ordinary General meeting
2010 half-year results

18 May 2010 at 9AM
26 August 2010

About I.R.I.S. - www.iriscorporate.com

I.R.I.S.' mission is to increase our customers' productivity and knowledge through helping them better manage their documents, data and information.

I.R.I.S. Products & Technologies develops technologies and products for Intelligent Document Recognition and markets its portfolio on a worldwide basis through strong partnerships.

I.R.I.S. Professional Solutions enables companies and administrations to find in one company the innovative expertise and hi-tech solutions to efficiently manage documents, information flows and IT infrastructure.

In 2009, the revenue of I.R.I.S. Group was 103 million euro.

I.R.I.S. has more than 550 employees based in Louvain-la-Neuve and Brussels (Belgium), Orly (France), Windhof (Luxemburg), Amsterdam and Maastricht (The Netherlands), Aachen (Germany), Delray Beach (USA) and Hong-Kong (China) and Oslo (Norway).

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Forward Looking Statements

This press release contains forward-looking statements with respect to the business, financial condition, and results of operations of I.R.I.S. and its affiliates. These statements are based on the current expectations or beliefs of I.R.I.S.'s management and are subject to a number of risks and uncertainties that could cause actual results or performance of the Company to differ materially from those contemplated in such forward looking statements. These risks and uncertainties relate to changes in technology and market requirements, the company's concentration on one industry, decline in demand for the company's products and solutions, inability to timely develop and introduce new technologies, products and applications, and loss of market share and pressure on pricing resulting from competition which could cause the actual results or performance of the company to differ materially from those contemplated in such forward-looking statements. I.R.I.S. undertakes no obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.