

**Return to buoyant and solid growth in Q4 2009**  
**Group sales: +18%**  
**Sales in France: +107%**

**Acquisition of CD Consulting Innovations,  
 proprietor of DOC<sup>®</sup> video surveillance technology,  
 a powerful growth engine for Easydentic**

**2010: a return to profitable growth**

**Aix-en-Provence, February 24, 2010:**

Easydentic (FR001000016 - ALEGR), a leading European provider of innovative technologies for protecting access, goods and people, today announces its consolidated annual sales<sup>1</sup> to December 31 2009 and the projected acquisition of CD Consulting Innovations.

**Annual sales of €83.5 million**

In € millions	4 <sup>th</sup> quarter			12 months		
	2009	2008	Δ	2009	2008	Δ
<b>International</b>	<b>13.9</b>	15.1	-8%	<b>58.8</b>	48.4	+21%
<b>France</b>	<b>8.9</b>	4.3	+107%	<b>24.7</b>	57.2	-57%
<b>Total sales</b>	<b>22.8</b>	19.4	+18%	<b>83.5</b>	105.6	-20.9%

Sales for the fourth quarter of 2009 saw a return to the Group's growth momentum, with an increase of **+18%** compared to the same quarter of the previous financial year, notably thanks to buoyant growth in sales in France. Indeed, the success of the commercialisation of Biovein, which began in September, intensified, enabling sales in France to more than double over the last quarter of the year.

Over the year as a whole, sales thus totalled €83.5 million, a fall of 20% compared to 2008. This decrease was notably the result of commercial and regulatory difficulties for biometrics activity in France through to September, as well as a significant toughening of financing acceptances.

Furthermore, Easydentic confirms that renewals of existing contracts are progressing well, with a stable gross renewal rate of 50% across the Group's markets.

<sup>1</sup> Unaudited



### **Buoyant growth in activity in Q4**

Sales in France more than doubled (**+107%**) in the fourth quarter of 2009 compared to the fourth quarter of 2008, thus confirming the upturn in biometrics activity in France.

Indeed, monthly sales averaged €3m over the last quarter, substantially higher than the average of €1.8m recorded over the first nine months of the year. The deployment of the Biovein offer, facilitated by the CNIL's global approval for finger vein technology and a revitalised sales network, recorded a substantial acceleration in the fourth quarter of 2009, with sales jumping **+116%** compared to the third quarter of 2009.

These fine performances show the relevance of the action plan implemented at the end of the summer in order to boost biometrics activity in France. Moreover, the nationwide advertising campaign is continuing to promote finger vein technology, and is an efficient tool enabling biometrics to be democratised and the Group's sale staff's pitch to be strengthened.

### **Solid growth abroad**

Abroad, Easydentic recorded solid activity throughout 2009, with sales totalling €58.8m, an increase of **+21.4%** on the previous financial year.

The growth momentum remains very strong in countries such as Switzerland, Portugal and Spain. In Germany, following the change from a direct distribution method to an indirect distribution method, Easydentic has now seen an upturn in the trend, with an improvement in sales at the end of the year that is likely to continue in 2010.

(€m)	Spain	Portugal	Ireland	UK	Switzerland	Benelux	Germany	TOTAL
<b>2008 sales</b>	9.6	3.5	4.0	3.5	1.6	15.8	9.6	<b>48.4</b>
<b>2009 sales</b>	14.6	7.1	5.4	5.3	3.4	13.2	9.7	<b>58.8</b>
<b>Δ (€m)</b>	<b>+5.0</b>	<b>+3.6</b>	<b>+1.4</b>	<b>+1.8</b>	<b>+1.8</b>	<b>-2.6</b>	<b>+0.1</b>	<b>+10.4</b>
<b>Δ (%)</b>	<b>+52%</b>	<b>+103%</b>	<b>+35%</b>	<b>+51%</b>	<b>+113%</b>	<b>-16%</b>	<b>+1%</b>	<b>+21%</b>

International sales totalled €13.9m over the final quarter of 2009, a fall of 8% on the same quarter of 2008 because of temporary difficulties in the Netherlands, due to the absence of a manager, and in Belgium, which saw substantial financing problems. Nevertheless, 4<sup>th</sup> quarter activity is here compared to the record sales recorded over the final quarter of 2008, and was up significantly (+38%) compared to the third quarter of 2009.

The International expansion strategy has enabled the creation of a dense European network that will represent a solid pillar of growth for the Group, essentially thanks to the coming successive waves of contract renewals.

### **Signing of an agreement relating to the acquisition of CD Consulting Innovations**

Easydentic signed, on February 23 2010, a draft agreement pertaining to the acquisition of CD Consulting Innovations.

According to the terms of this agreement, Easydentic would acquire all of CD Consulting Innovations' shares via a contribution in kind. This operation will therefore be subject to the approval of Easydentic's shareholders at the next Shareholders Meeting.

CD Consulting Innovations, proprietor of the DOC<sup>®</sup> video surveillance and maintenance system, has applied for a patent for this application.



This acquisition thus comes within the framework of the launch of this new offer in personal protection, and would enable Easydentic to:

- become the proprietor of this innovative technology;
- create a new entry barrier for this high-potential sector;
- increase the margin per installed machine.

The acquisition would be paid for by an exchange of Easydentic shares, representing 4% of capital for the fixed part plus an earn out to be paid on June 30 2011 depending on DOC<sup>®</sup> sales performance targets. This additional payment would represent, if stock options were exercised, between 3.4% and 5.8% of capital (based on a valuation of Easydentic's share price of between 7 and 12 euros). This maximum price would be paid if 10,000 DOC<sup>®</sup> were sold by June 30 2011, which would represent sales of approximately €40 million over the first 16 months of activity.

As a reminder, Easydentic has announced a target of €10m of DOC<sup>®</sup> sales in 2010 and €40m in 2011. Market research confirms that the entire European market (excluding Portugal) is liable to warmly welcome this innovation. Easydentic's objective is to cover all the European countries it operates in (excluding Portugal) with DOC<sup>®</sup> by the end of 2010, and will adjust its targets accordingly.

All the documents relating to acquisition operations, including an acquisition agreement detailing the valuation used and the terms of payment for the acquisition, the Board's report and the report from the independent auditor will be made available to shareholders no later than two weeks before the Shareholders Meeting called to approve this operation.

### **Creation of Easydentic Inc. in the United States**

Easydentic's presence in the United States is now becoming more entrenched, with the creation of a subsidiary: Easydentic Inc. The leaser has been chosen and the subsidiary's manager has been hired. The entity will be operational from April, and will start commercialising the Group's products in the state of New York.

This major development, carried out in cautious fashion, will be another international growth driver for the Group.

### **2010 outlook: profitable growth**

The start of the current financial year saw the launch of DOC<sup>®</sup> in personal protection. The commercialisation of this revolutionary solution, lauded by the specialised press and addressing a major public health issue (heart attacks), will begin in March and should generate sales of around €10m in 2010.

For FY 2010, Easydentic is expecting significant sales growth and a return to profitability thanks to the combination of powerful growth engines:

- a surge in contract renewals, both in France and abroad;
- the launch of DOC<sup>®</sup>;
- a further upturn in sales in France, thanks to Biovein;
- the upramping of Innovatys internationally, with openings in Spain, the Netherlands and the United Kingdom;
- the opening of the new American subsidiary.

Regarding its financial situation, Easydentic is pursuing constructive talks with its banking pool with the aim of transforming its confirmed OSEO-backed short-term credit lines into medium-term debt.



Patrick Fornas, Chairman and CEO, concludes: "As we had been anticipating, the 4<sup>th</sup> quarter of 2009 represented a real transformation in activity on the French market. The solid upturn in biometrics activity in France rewards the efforts we have undertaken over the last six months to redeploy vein technology. This excellent trend should continue, with solid performances on our international markets and, in particular, the upramping of our remarkable innovation in protecting people: DOC<sup>®</sup>. Knowing the strengths of our Group that are our motivated teams, our European network and our permanent innovation efforts, we are therefore able to confidently say that 2010 will see a return to profitable growth."

**Next press release: 2009 annual results on April 7, 2010**

**About Easydentic ([www.easydentic.com](http://www.easydentic.com)):**

Easydentic is a major European player in innovative technologies for protecting access, goods and people. The Group operates in 12 European countries (France, Belgium, Germany, Spain, Netherlands, UK, Czech Republic, Portugal, Ireland, Italy, Switzerland and Luxembourg), and has 7 brands (EASYVEIN, EASYDENTIC and OYTECH for biometric access control, INNOVATYS and UNIWAYS for IP-based video surveillance, DOC for protecting people and EDEN for R&D of software used in access management and access control system applications).



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