

Frost & Sullivan Award for Technology Innovation of the Year

2006

FROST & SULLIVAN

Biometrics
Product Innovation of the Year Award

AWARD DESCRIPTION

The Frost & Sullivan Award for Product Innovation of the Year is presented each year to the company that has demonstrated excellence in new products and technologies within their industry. The recipient company has shown innovation by launching a broad line of emerging products and technologies.

RESEARCH METHODOLOGIES

To choose a recipient of this Award, the analyst team tracks all new product launches, R&D spending, products in development,

and new product features and modifications. This is accomplished through interviews with the market participants and extensive secondary and technology research. All new product launches and new products in development in each company are compared and evaluated based on degree of innovation and customer satisfaction. Companies are then ranked by number of new product launches and new products in development.

MEASUREMENT CRITERIA

In addition to the methodology describe above, there are specific

criteria used to determine final competitor rankings in this industry. The recipient of this Award has excelled based on one or more of the following criteria: Significance of new product(s) in their industry; Competitive advantage of new product(s) in their industry; Product innovation in terms of unique or revolutionary technology; Product acceptance in the marketplace; New product value-added services provided to customers; Number of competitors with similar product(s)

AWARD RECIPIENT:

IMAGEWARE SYSTEMS



Frost & Sullivan has awarded ImageWare Systems Inc. the 2006 Product Innovation of the Year Award for the Biometrics market. ImageWare Systems Inc., (IWS) was founded in 1987 and is a publicly traded company headquartered in North America. The company's initial deployment began in 1997 and today it has over 100 customers globally that represent in excess of 1,000 deployments (approximately 50 million enrollments). The company has successfully focused on the development of biometrically-enabled identity management solutions. ImageWare has developed the most extensive open architecture approach that currently supports ninety-three biometric hardware devices and sixty-five algorithms. The company supports twelve biometric types that include automated fingerprint identification systems (AFIS), face, iris, hand geometry, palm vein pattern, signature and voice verification.

ImageWare's open architecture platform is poised to become a defacto standard as it has the competitive advantage of offering the widest range of hardware devices and software algorithms.

Outstanding Strategic Outlook

ImageWare has successfully based its product strategy on developing a comprehensive multi-biometric

vendor neutral platform. Offering a multi-biometric identity management solution has proven to be cost-efficient, time-saving and provides end-users optimal flexibility with what type of biometric they can use. This has also allowed ImageWare to penetrate a wide range of verticals and applications within it.

Key Distinct Competitive Advantages

ImageWare has stayed ahead of competition for the following reasons:

- **Unique Technology Approach:** ImageWare has the competitive advantage of providing four different types of verification mechanisms. The majority of biometric identity management participants facilitate 1:1 and 1:N verification. In addition, ImageWare provides X:N and N:N verification.

- **Open Architecture Provision:** ImageWare's open architecture platform provides customers the flexibility for the widest range of biometric hardware devices and algorithms in the industry. It is also scalable thus allowing from 100's to millions of enrollments.

Frost & Sullivan Award for Technology Innovation of the Year



Standards Driven: ImageWare has worked very closely to meet worldwide industry standards for data management and interoperability. This has ensured customers' ease of mind in having a high level of standards endorsed products.

Product Range Aligned with Strategy

The three main product lines are as follows:

ImageWare Biometric Engine: The IWS Biometric Engine is a scalable, agnostic and multi-biometric identity management solution that has been implemented for numerous mission critical government and law enforcement applications. The product conducts 1:1 biometric searches for verification, 1:N biometric searches for identification and X:N and N:N searches for watch lists and/or black lists. Typical uses of the IWS Biometric Engine include driver license systems, national ID systems, border control systems, voter identity verification. In addition, use of the IWS Biometric Engine in the Travel and Transportation vertical is gaining momentum.

EPI Builder: This is a software development kit (SDK) that is designed to develop bespoke applications to fit requirements for a range of vertical markets. This is particularly suited for System Integrators (SIs) and value added resellers (VARs).

EPI Suite: ImageWare has developed a photo ID software solution specific to addressing requirements for both government and commercial purposes.

Conclusion

The real challenge in the industry has been to develop a truly multi-modal biometric identity management solution that offers customers the flexibility of using different types of biometric technologies that are required for a varied range of applications and vertical markets. ImageWare Systems Inc. has successfully

addressed this need by offering the most comprehensive open architecture range of products. This has paved the way for increased penetration levels of applications within specific vertical markets and across geographies. These include the use of IWS' products in government and law enforcement, travel and transportation, financial, healthcare and telecommunications vertical markets from North America to Asia-Pacific.

The company's product range is aligned to be suitable for a wide range of distribution channels. ImageWare's range of products are facilitated by governments, hardware device manufacturers, system integrators (SIs) and value added resellers (VARs) thus widening the scale and scope of IWS' product reach.

ImageWare has a wide range of customers globally illustrating a high level of industry acceptance. These include Johnson Controls, GE Interlogix, Singapore National Driver's License, Government of Australia, Digimarc Identification Solutions, State of New Mexico Driver's Licenses amidst many others.

ImageWare's stronghold in the product innovation arena and worldwide accomplishments for biometrically-enabled identity management solutions assures the company of continued future success.

For more information contact:

ImageWare Systems
858.673.8600
www.iwsinc.com

Frost & Sullivan
210.247.2450
www.frost.com