



# Document Capture Technologies, Inc. (OTCBB:DCMT)

Document Capture Technologies, Inc., "DCT" is a world-wide leader in the design, development, manufacturing, and sale of USB powered mobile page-fed document capture solutions. DCT provides more than 20 different products across five distinct categories, which are distributed globally through private label solutions to leading Tier 1 OEM's, VAR's and other system integrators, such as CardScan, Visioneer, and Pentax. DCT has approximately 45 key accounts, predominantly in North America and an intellectual property (IP) portfolio that includes four key underlying patents with an additional patent pending. DCT maintains an aggressive IP strategy to defend its technology and market leadership position.

DCT, formerly Sysview Technology (SYVT), has been involved in the secure imaging market for over seven years. Since that time DCT has steadily grown its business (37% three-year organic CAGR) based on document capture-verification in the health care, law enforcement, insurance, financial, banking and compliance vertical markets. Its vertical integration and innovative proprietary system development kits allow for a broad range of applications, faster time-to-market and ease of integration for its customers.

DCT's commitment to R&D and product innovation have resulted in the ability to continue to provide demand-driven products on the forefront of the paper-to-digital revolution. With the proliferation of paper-to-digital green initiatives, high security demands, and accelerated financial transactions (a la Check 21 legislation), the demand for innovative ways to digitally capture, authenticate, store, share, and manage information is clear and DCT is well-positioned for continued future growth. DCT enjoys extensive product life cycles of 18-36 months, which management believes is a competitive advantage.

## Corporate Profile July 2008

**Sector:** Technology  
**Industry:** Imaging

**Corporate Headquarters:**  
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## SELECT FINANCIALS

### OTC BB (DCMT)

<b>Fiscal Year End:</b>	Dec. 31
<b>Current Price (7/1/08):</b>	\$0.44
<b>52-Week Range:</b>	\$0.30-\$1.00
<b>Wtd. Avg. Basic Shares Outstanding:</b>	16.4 M
<b>Market Cap:</b>	\$7.2 M
<b>2007 Revenues</b>	\$15.0M
<b>Stockholders' Equity (3/31/07):</b>	\$531,000
<b>Working Capital</b>	\$3.0 M

### Financial Highlights - Q1 2008 Update

- For the quarter ended 3/31/08, revenues decreased 39%, to \$2.5 million from the year-ago period
- Gross margin decreased to 29% from 40% in the year-ago period due to the devaluation of the US Dollar against the Chinese Yuan and certain product mix factors.
- GAAP net loss for the quarter decreased by \$328,000, or 41% to \$(480,000) compared to GAAP net loss of \$(808,000), for the first quarter 2007.
- In the quarter the Company sold its remaining HD-related assets for a total of \$600,000 and received an initial cash payment of \$400,000 which was recorded as a gain on sale of assets in the first quarter ended March 31, 2008. A second cash payment of \$150,000 was received on May 2, 2008 and will be recorded as a gain on sale of assets in the quarter ended June 30, 2008. The final \$50,000 payment will be reflected in DCT's financial statements as a gain on sale of assets when the cash is received.
- Management exercised over one million founders options reflecting confidence in the strength of the Company's business, outlook, and the value that they see in its shares at current market prices

### Key Recent Developments

- Because of the mixed effect of general economic conditions and lack of visibility in the markets served, the Company concluded that it is prudent to refrain from offering financial guidance at this time.
- On March 3, 2008, David P. Clark, the Company's Chief Investment Officer, was named CEO and William Hawkins, the Company's Chief Operating Officer was named President, in addition to retaining his COO duties. Darwin Hu, who has served as the President, CEO and Chairman since the Company's merger with Syscan, Inc. in April 2004, will remain Chairman of the Board of Directors
- Company expects to introduce three new document capture products during 2008
- Announced termination of funding for all High Definition display R&D efforts on November 14, 2007 to reduce operating costs and focus solely on its document capture business

### Investment Opportunity

- Leader in expanding market for portable page-fed scanners
- Strong IP portfolio with ongoing commitment to innovation
- Vertically integrated scanner technology and execution
- Unparalleled developer and integration resources
- Consistent financial performance and high margins
- \$22 million in federal NOL's expiring in 2027

### Image Capture Market

- Annual market for portable page-fed scanning products growing at 25% plus annually
- Estimated 60% market share of Mobile page-fed, USB-powered document capture market
- Historically longer product life cycles than other computer peripherals
- Applications include:
  - ID card/security scanners
  - Banking remote deposit
  - Healthcare insurance card readers
- Key expanding vertical demand:
  - Gaming and lottery
  - Kiosks: Financial and various point of service transactions
  - SOHO (small office/home office)



A4 Duplex Scanner

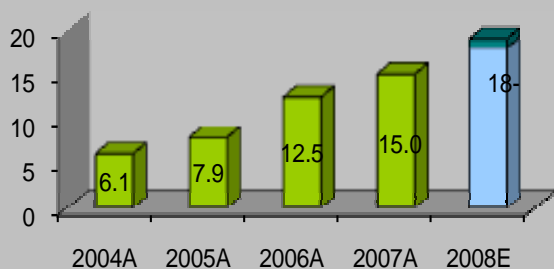


A8 Business Card Scanner

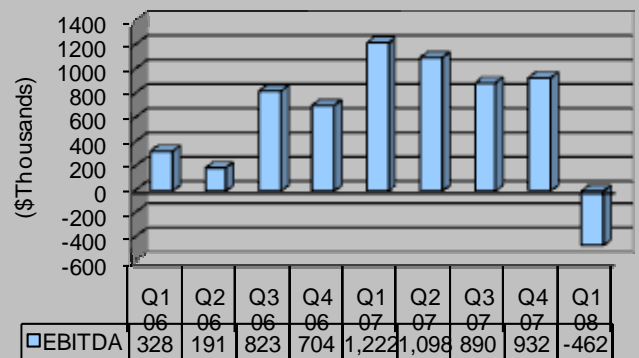


A6 Duplex ID Card Scanner

Annual Revenues  
(\$ in Millions)



EBITDA



## Management Team

**David Clark, CEO.** Prior to joining the Company, Mr. Clark has held Executive-level positions with both public and privately held companies for the past 16 years, including President of Nautical Vision, Inc., a consumer electronics specialty marketing company, President and CEO of Homebytes.com, and President of Distribution/Director at Take 2 Interactive. He also has held key roles in business development, corporate finance, and sales and marketing at Inventory Management Systems, Inc., Creative Alliance Group, Sony, Acclaim Entertainment, and Phillips Sales, Inc. He received his B.S. in Business Administration from the State University of New York, Binghamton in 1990.

**Carolyn Ellis, CFO.** Ms. Ellis was named CFO effective November 1, 2007. Prior to joining Document Capture Technologies, Inc., she served as a director, secretary and treasurer of Knovative, Inc., a telecommunications research and development company that she co-founded in 2003 and where she remains a member of the board of directors. From April 2000 until she co-founded Knovative, Ms. Ellis served as the Vice President of Finance for Correlant Communications, a company in the telecommunications industry. Ms. Ellis is a certified public accountant. She has a bachelor's degree in economics and accounting from Hendrix College and an MBA from the University of New Mexico.

**William Hawkins, COO.** Mr. Hawkins has held various management positions at Syscan, Inc., the Company's wholly owned subsidiary, since 1999. Prior thereto, Mr. Hawkins' product focus has been primarily in the imaging systems and computer peripheral markets, including senior-level positions with General Electric (UK), Kaman Aerospace, British Aerospace Engineering, Gartner Research and Per Scholas. Mr. Hawkins received a bachelor's degree in physics from the University of Maryland in 1978 and a Masters Of Technology Management (MOT) from Johns Hopkins University.

**Darwin Hu, Chairman.** Mr. Hu has over 29 years of experience in high-tech business management, startup companies, and in establishing international, worldwide R&D from within the USA. He has held senior management positions at Microtek, Xerox, OKI, AVR, DEST, Olivetti and Grundig, in various key product development, manufacturing and sales and marketing roles. Mr. Hu holds over 20 patents related to color imaging technology, image scanning & display technologies. He holds a bachelor's degree in Engineering Science from National Cheng-Kung University, Taiwan and has a master's degree in Computer Science and Engineering from California State University, Chico, USA.

The foregoing compilation relates to Document Capture Technologies, Inc. (OTCBB:DCMT) and contains forward-looking statements, which are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from the forward-looking statements. When used in this document, the words "anticipate," "believe," "estimate," "expect" and similar expressions as they relate to DCMT or its management, are intended to identify such forward-looking statements. DCMT's actual results, performance or achievements could differ materially from the results expressed in, or implied by these forward-looking statements. For more detailed information the reader is referred to DCMT's Form 10-K and other related documents filed with the Securities and Exchange Commission. This does not constitute an offer to buy or sell securities by the Company and is meant purely for informational purposes. Hayden Communications, Inc., (HC) its affiliates, officers, directors, subsidiaries and agents have been compensated by the Company for the creation of this document. One year term effective January 1<sup>st</sup>. HC receives \$5,000 per month and has received 200,000 warrants at a price of \$0.65. HC has relied upon information received from the Company, which, although believed to be reliable, cannot be guaranteed. This information is not an endorsement of the Company by HC. HC is not responsible for any claims made by the Company. You should independently investigate and fully understand all risks before investing.