Half Year Financial Report 2010-2011

REALDOLMEN NV
A. Vaucampslaan 42
1654 Huizingen
RPR/RPM 0429 037 235 (Brussels)

This half year financial report is part of the regulated information envisaged by the R.D. of November 14, 2007. It encompasses the financial statements; the financial report and corporate governance related information.

The report should be read alongside the documents that are incorporated therein by reference, such as the Corporate Governance Charter and the by-laws of the Company. All of these documents are available on the Company's website (www.realdolmen.com) and a hard copy can be provided at simple request.

The English language version is made available for information only; the Dutch language version is the only official text.

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RealDolmen has the legal form of a corporation ("naamloze vennootschap (NV) – société anonyme (SA)"), organized under the laws of Belgium. The Company was incorporated for unlimited duration.

RealDolmen NV's registered office is located at A. Vaucampslaan 42 in 1654 Huizingen. The Company is registered with the registry of enterprises in Brussels, under company number 0429.037.235. The Company has branch offices in De Pinte, Harelbeke, Kontich, Lummen and Turnhout. An overview of the foreign subsidiaries and locations can be found on the Company's website.

The Company is listed since 1997 and trades its shares on NYSE Euronext (REA ISIN BE0003899193 and REAT ISIN ISIN BE0003732469).

We are honored to submit to you the half year financial report on the first half of the fiscal year ending on March 31, 2011.

This report contains:

- An interim annual report describing major events in the past six months, the main risks for the remaining months of the fiscal year and, if applicable, an overview of transactions with related parties;

- The condensed financial statements in accordance with IAS 34;

- Information about external control;

- A fair representation statement.

1 Interim annual report

1.1 Major events

RealDolmen, the independent single source ICT solutions provider, announces results for the six months ended 30 September 2010. The result shows a turnover increase of 1.6% and EBIT margins up €2.4m compared to the same period last year.

Highlights

- *Turnover grows with 1.6% confirming the step by step recovery of the economy after the financial crisis. Professional Services and Infrastructure Products revenue are up with respectively 1.2% and 10.2% while Business Solutions turnover decreased by 10.7% as a consequence of a slower activity in some of our business applications.*
- *REBIT margin decreases by 0.5% as EBIT margin is up with €2.4m as restructuring charges of last year regarding efficiency increase, made place for aggressive hiring of IT professionals.*
- *Sound financial structure with strong cash position of €47m and only €8.5m in net debt.*

Half year results September 2009 vs September 2010

in m€	IFRS 30/09/2010	IFRS 30/09/2009	% Variation
Turnover continued operations	112.8	111.0	1.6%
Operating results before non recurring (REBIT)	3.0	3.5	-14.8%
Margin	*2.7%*	*3.2%*	
Operating result (EBIT)	3.6	1.3	188.4%
Net profit (loss)	0.8	-1.7	145.9%
EBITDA (1)	5.8	3.7	56.8%
EBITDA Margin	*5.2%*	*3.4%*	

(1) EBITDA = EBIT increased with depreciations, amortizations and increase in provisions

Balance sheet September 2009 vs March 2009

	IFRS 30/09/2010	IFRS 31/03/2010	% Variation
Equity	132.6	131.8	1.4%
Net Debt (2)	8.5	12.1	-44.6%

(2) Net Debt = Financial debts and bank overdrafts minus cash & assets held for trading

Bruno Segers, Chief Executive Officer of RealDolmen, commented:

“In view of the IT sector and the overall economic environment we could feel relatively positive about our growing revenue and our EBIT increased with €2.4m. However, in absolute terms, we are not satisfied with the current results as revenue growth and profitability ought to be even higher.

The company is still suffering from a weak market. Larger projects are slow to come through also - and for obvious reasons - in the Belgian public sector. The increased hiring efforts bear fruit, though at a pace slower than expected. It will probably take us beyond this year for the average headcount in Belgium to match the pre-crisis levels.

Taking into account the developments in the sector we do however remain upbeat about the progress of the company and its positioning for the longer term. The structuring of our organization and processes around single source offering are showing successes in sales and delivery. Response from clients is positive.

Our objective is to continue growing the company, through sales, increased hires, operational excellence as well as through acquisitions. We will be well positioned when the economic activity gets back to full throttle.”

During the period, the following contracts and customers were won, across a spread of sectors:

- **Samsonite Belgium**, one of the leading designers, manufacturers, and distributors of luggage, made the strategic choice to no longer invest in their own datacenter and server infrastructure. Samsonite will migrate to the RealDolmen DataCenter and use the shared infrastructure it offers. This allows the Samsonite IT department to focus on maintaining applications and processes. Samsonite was the first customer of the RealDolmen DataCenter.

- **UCB**, a global biopharma company, chose RealDolmen as supplier and implementer of NetApp for all its data management and data storage needs. In a first phase, the full VMWare environment and file services & archiving will be moved to NetApp.

- RealDolmen won the OPD Applications frame agreement at **FAVV**, the Federal Agency for the Safety of the Food Chain. This frame agreement covers resourcing for development projects and Information Management projects, including both long term and short term projects. The contract runs for a period of 2 years and can be extended.

Turnover

As expected, turnover in H1 slightly grew compared to the prior year as the crisis bottomed out. Infrastructure Products is performing strong, Professional Services is up though still under pressure of reduced headcount and Business Solutions is suffering from reduced activity in some of our business applications.

Turnover per segment in m€	**HY 2010/2011**	**HY 2009/2010**	**%Variance**
Infrastructure Products	34.0	30.9	10.2%
Professional Services	*61.8*	*61.1*	*1.2%*
Business Solutions	*16.9*	*18.9*	*-10.7%*
Subtotal Services & Solutions	78.8	80.1	-1.6%
Total Group	**112.8**	**111.0**	**1.6%**

- **Infrastructure Products:** Turnover increased in H1 by 10.2% compared to last year. This demonstrates the company is maintaining its market leadership in virtualization and datacenter offerings in BeLux in a market that slowly starts to take up again.

- **Professional Services:** Professional Services turnover increased by 1.2% compared to last year. Such turnover has been achieved notwithstanding a year over year reduction in billable headcount in our Belgian operations as a consequence of the crisis last fiscal year. The turnover growth is among others due to the strong performance of our French business, improved rates in our application services business and improved billability in our infrastructure services business.

- **Business Solutions:** Business Solutions turnover decreased by 10.7% in the period. Such decrease is nearly entirely due to a sharp decrease of some of our business applications over the period compared to last year. In Belgium clients still take a long time to reach decisions about larger projects in enterprise resource planning and reorganizations of internal information. A relatively larger volume of smaller projects keeps some pressure on billability while headcount is still slightly down.

Operating result from continued operations before non-recurring items (REBIT)

During the half, REBIT margins decreased to 2.7%. Margins on the products business and corporate costs improved. Professional Services is still suffering from the impact of lower headcount while the Business Solutions margins are down as a consequence of a reduced activity in some of our business applications.

Segment information in m€	HY September 2010					HY September 2009				
	Infra Products	Prof Services	Bus Solutions	Corporate	Group	Infra Products	Prof Services	Bus Solutions	Corporate	Group
Turnover	34.0	61.8	16.9		112.8	30.9	61.1	18.9		111.0
Operating result before non recurring	1.7	2.7	0.0	-1.4	3.0	0.7	3.9	0.7	-1.7	3.5
REBIT Margin in %	*4.9%*	*4.4%*	*-0.1%*		*2.7%*	*2.3%*	*6.3%*	*3.5%*		*3.2%*

Margins in the **Infrastructure Products** division increased by 2.6% to 4.9% as a consequence of a higher volume and a different product mix with larger deals leading to higher margins.

In **Professional Services**, we saw in H1 a decrease of the margins from 6.3% to 4.4%. This is explained by the lower revenue in our higher margin Belgian operations as a consequence of the reduced headcount following last year's financial crisis and a lower billability due to among others relatively more training. Such negative impact is mitigated by the positive impact of increased efficiency following last year's optimization program.

Margins in **Business Solutions** decreased significantly from 3.5% to break-even. Such negative evolution is a consequence of the reduced high margin business application activity. The margins of the Belgian activity are improving but are not sufficient to offset the above decrease because of pressure on billability, a smaller headcount and roadmap investments.

Corporate costs improved by €400k as a consequence of a reduction of litigation costs and the consequence of optimization efforts of last year.

Operating result (EBIT)

We saw EBIT increase by €2.4m compared to the same period last year. This evolution is on the one hand due to last year's restructuring charges of €2.1m linked to the financial crisis that were qualified as non-recurring. This year, no restructuring charges are taken into account and, when redundancy charges have been incurred, such charges have been included in the REBIT of the relevant segments. On the other hand there is a positive impact of the bad will of €0.8m of the Lille acquisition mitigated by related deal costs of €0.2m.

Total Group Net Profit

The Group reported a net profit of €0.8m for the period compared to a loss of €1.7m last year over the same period. The increase of net profit with €2.5m is largely due to the increased EBIT level. The net profit was also positively impacted by a reduction in income taxes by €388k as relatively more profit was generated in Belgium where taxes are booked against our deferred tax asset. Financial charges went slightly up by €200k as a consequence of the yearly build up of the debt portion of the convertible bond with €250k mitigated by a €50k interest improvement due to reduced debt.

Cash Flow

Total cash inflow amounted to €1.3m. €5m accounts for the Net Operating Cash Flow despite a REBIT margin decrease of 0.5%. The difference between the €1.3m of cash generated and the €8.4m variance in cash on the balance sheet, is the transfer of €7.1m from "Assets held for trading" to "Cash and cash equivalents".

Equity / Net Debt

Equity increased by €0.8m due to net profit generated during the half year.

The total debt position amounts to €55.2m and consists mainly of a €42.6m convertible debt at favorable terms with maturity in July 2012. Cash balances remain strong and amount to €46.7m, up €1.3m compared to March 2010.

Prospects for H2 2010/2011

We maintain our expectation of limited revenue growth and improved profitability for the full year. We expect services revenue to be slightly up. For products revenue we have to be more careful in light of the less predictable nature of that business and therefore expect to be slightly down. REBIT margins would only slightly increase, as the current hiring of professionals in Belgium is not making up for the reduction in headcount of last year. Net result should continue to improve as exceptional costs related to synergies and improvement plans are behind us.

We believe that our strong market position, our good spread of customers across a number of sectors, our strengthened offering and the benefit of the strategic projects in which we have continued to invest, allow us to continue to gain market share especially when the economy performs better.

1.2 Main risks and uncertainties

We herewith provide information on the main risks and uncertainties that could negatively impact our development, financial results or market position.

- **Fluctuations in the market environment can adversely affect demand and competitive pressure might lead to further margin pressure**
  The markets in which we are currently active are subject to fluctuations of demand, or worse to recession. Given the recent economic downturn and slow improvement of activity, margins remain under a lot of pressure. In addition, these markets are characterized by low entry barriers. It cannot be ruled out that intensified future competition could lead to margins falling further. The economic developments and competition may differ per region/country and per market segment in which we are (or will become (more)) active. The ability to compete successfully depends on a number of factors, both within and outside of our control. These factors include the following:
  - success in designing and developing new or enhanced products / services;
  - ability to address the needs of our customers;
  - pricing, quality, performance, reliability;
  - features, ease of use, and diversity of our products;
  - pricing and quality of our services portfolio;
  - ability to attract and retain high quality industry and ICT experts;
  - quality of our customer services;
  - brand recognition and our image in the market; and
  - product or technology introductions by our competitors.

  If we are not able to compete successfully in each of the segments in which we are active, this may affect margins and profitability.

- **Our business will be negatively affected if we are not able to anticipate and keep pace with rapid changes in technology or if growth in the use of technology in business is not as rapid as in the past**
  Success will depend partly on our ability to develop and implement information, communication and technology services and solutions that anticipate and keep pace with continuing and rapid changes in technology and industry standards. We may not be successful in anticipating or responding to these developments on a timely basis, and our offerings may not be successful in the marketplace. Also, services, solutions and technologies developed by competitors may make our service or solution offerings uncompetitive or obsolete. Any one of these circumstances could have a material adverse effect on our ability to obtain and successfully complete client engagements.
  Our business is also dependent, in part, upon continued growth in the use of technology in business by clients and prospective clients and their customers and suppliers. If the growth in the use of technology remains low due to the economic environment, the business could be adversely affected. In addition, use of new technology for commerce generally requires the understanding and acceptance of a new way of conducting business and exchanging information. Companies that have already invested substantial resources in traditional means of conducting commerce and exchanging information may be particularly reluctant or slow to adopt a new approach that may make some of their existing personnel and infrastructure obsolete, which could reduce demands.

- **Companies are increasingly competing on a global scale. Increased competition from global or pan-European players could lead to increased margin pressure and lower profitability**
  Large international competitors as well as pan-European players trying to further penetrate local markets may lead to increased competition which in turn could lead to higher pressure on both margins and profitability.

- **Should we fail to successfully deploy, retain and hire skilled employees, this will adversely affect our future success**
  Personnel are a critical success factor and an important condition for our growth. We must recruit highly qualified personnel to fuel growth. In addition, retaining personnel is of great importance. At present, the demand for persons with the ICT skills of our personnel is again increasing. A shortage of personnel, or a high turnover of personnel, could have a restraining influence on our growth, just as an excess of unproductive employees could certainly harm our performance in times of lower economic activity.

- **Dependency on sales successes**
  The operating plan of 2010/2011 relies upon certain sales successes across the entire enterprise. This includes sales to new as well as to existing customers. Although we have a comfortable sales pipeline, it is not a certainty that the projected sales will actually materialize whereas the worldwide economic crisis is not yet over and new banking or political crisis are being announced. A portion of expected sales is related to products, which may require additional functionality. Risks exist in completing these tasks and thus could impact our ability to sell and/or deliver promised solutions.

- **Unexpected costs or delays could make our contracts unprofitable**
  While we have several types of contracts, including time-and-material contracts, fixed-price contracts and contracts with features of both of these contract types, there are risks associated with all of these types of contracts when commitments are made in terms of timing, budget, competences or project deliverables. When making proposals for engagements, we estimate the costs and timing for completing the projects. These estimates reflect our best judgment regarding the efficiencies of methodologies and professionals as we plan to deploy them on projects. Any increased or unexpected costs or unanticipated delays in connection with the performance of these engagements, including delays caused by factors outside of our control, could make these contracts less profitable or unprofitable, which would have an adverse effect on the profit margin. In the past we have experienced such cost overruns as a result of incorrect estimates.

- **Our contracts can be terminated by our clients with short notice**
  Clients typically retain us on a non-exclusive, engagement-by-engagement basis, rather than under exclusive long-term contracts. While our accounting systems identify the duration of engagements, these systems do not track whether contracts can be terminated upon short notice and without significant penalty. However, we estimate that the majority of our contracts can be terminated by clients with short notice and without significant penalty. Service Level Agreements (services and maintenance) are concluded on an annual basis and can be terminated only on the expiration date of the agreement, with a notice period on 90 days minimum. Termination of contracts on short notice could adversely affect our operating results.

- **Profitability will suffer if we are not able to maintain our pricing and utilization rates and/or to control our costs**
  Profitability is largely a function of the rates charged for services and the utilization rate, or chargeability, of professionals. Accordingly, if we are not able to maintain the pricing for services or an appropriate utilization rate for professionals without corresponding cost reductions, we will not be able to sustain the profit margin and profitability will suffer.
  The rates are affected by a number of factors, including but not limited to:
  - client's perception of our ability to add value through our services
  - competition
  - introduction of new services or products by us or our competitors
  - pricing policies of competitors
  - general economic conditions

  Our utilization rates are also affected by a number of factors, including but not limited to:
  - seasonal trends, primarily as a result of holiday and summer vacations
  - ability to transition employees from completed projects to new engagements
  - ability to forecast demand for services and thereby maintain an appropriate headcount in the appropriate areas of the workforce
  - ability to manage attrition
  - effectiveness of sales force

  Current and future cost reduction initiatives may not be sufficient to maintain the margins if the economic crisis were not to come to a complete end in the next quarters. Furthermore, if the number of professionals is increased and our strategy for growth is executed, we may not be able to manage a significantly larger and more diverse workforce, control our costs and improve efficiency.

- **Undetected errors or defects in software could adversely affect our performance, reduce the demand for our products and services and increase service and maintenance costs**
  In-house developed applications could contain errors or defects that have not been detected that could adversely affect performance and reduce demand for our products. Any defects or errors in new versions or enhancements of our products could result in the loss of orders or a delay in the receipt of orders and could

result in reduced revenues, delays in market acceptance, diversion of development resources, product liability claims or increased service and warranty costs, any of which may have a material adverse effect on the business, results of operations and financial condition. Possible claims could be expensive to defend and require the expenditure of significant resources, regardless of the result. Moreover, the overall costs for maintenance, monitoring and engineering in case of serious and irresolvable defects in any in-house developed application, may not be fully covered by the annually fixed and paid service fees for service and maintenance or our relevant insurances.

- **Others could claim that we infringe their intellectual property rights**
  Even though we believe that our products do not infringe the intellectual property rights of others and that we ourselves have all required rights to use the intellectual property employed for our activities, we are exposed to the risk of claims alleging infringement of third-party intellectual property rights, including in respect of intellectual property that has been developed by third parties and acquired in business or asset purchase transactions. These claims could require us to spend significant sums in litigation costs, pay damages, expend significant management resources, experience shipment delays, enter into royalty or licensing agreements on unfavorable terms, discontinue the use of challenged trade names or technology, or develop non-infringing intellectual property. Liability insurance does not protect against the risk that its own or licensed third-party technology infringes the intellectual property of others. Therefore, any such claims could have a material adverse effect on our business, operating results and financial condition.

- **Litigations**
  The company is not involved in litigations that can be qualified as contingent liabilities according to the definition of IFRS.

1.3 Overview of transactions with related parties

Articles 523, 524 and 524*ter* of the Belgian Company Code provide for a special procedure in case of conflicts of interest and related party transactions. During the reported period there are no conflicts of interests or related party transactions to disclose.

2 Condensed consolidated financial statements

Condensed consolidated statement of comprehensive income for the period ended September 30, 2010

		30/09/2010 EUR '000	30/09/2009 EUR '000
CONTINUING OPERATIONS			
Operating Revenue		**114,270**	**111,594**
Turnover	note 2 / 9	**112,803**	**110,981**
Other operating income	note 3	1,467	613
Operating Charges		**-111,251**	**-108,048**
Purchases of goods for resale, new materials and consumables		-30,256	-27,315
Services and other goods (1)	note 4	-26,627	-23,865
Employee benefits expense (1)	note 4	-51,764	-54,374
Depreciation and amortization expense		-2,231	-2,474
Provisions and allowances	note 4	-106	521
Other operating expenses	note 3	-267	-541
OPERATING RESULT before NON-RECURRING		**3,019**	**3,546**
Non-recurring revenues	note 9	800	0
Restructuring charges		0	-2,102
Other non-recurring charges	note 9	-204	-190
OPERATING RESULT (EBIT)	note 9	**3,615**	**1,254**
Financial income		120	130
Financial charges		-2,962	-2,762
Profit (Loss) before income taxes		**773**	**-1,378**
Income taxes		25	-363
Profit (Loss) for the year		**798**	**-1,741**
Other comprehensive income		0	0
Total comprehensive income for the period		**798**	**-1,741**
Attributable to:			
Equity holders of the parent		*798*	*-1,741*
Minority interest		*0*	*0*
EPS (in EURO)			
Basic earnings per share (EUR)		0.149	-0.325
Diluted earnings per share (EUR)		0.149	-0.325

(1) comparative figures have been restated to classify Remunerations of Board of Directors as “Employee benefits expense” instead of “Services and other goods”

Condensed consolidated statement of financial position for the period ended September 30, 2010

		30/09/2010 EUR '000	31/03/2010 EUR '000
ASSETS			
Non Current Assets		**137,502**	**138,635**
Goodwill		97,714	97,714
Intangible assets		2,673	3,264
Property, plant and equipment		16,354	16,888
Deferred tax assets (1)	note 5	20,174	20,007
Finance lease receivables		587	762
Current Assets		**123,264**	**125,447**
Inventories		1,201	1,121
Trade and other receivables	note 6	75,380	78,964
Financial assets classified as held for trading	note 8	670	7,725
Cash and cash equivalents		46,013	37,637
Non Current Assets as held for sale		**0**	**0**
Total Current Assets		**123,264**	**125,447**
TOTAL ASSETS		**260,766**	**264,082**
EQUITY AND LIABILITIES			
Shareholder's Equity		**132,602**	**131,804**
Share capital		32,193	32,193
Share premium		61,807	61,807
Retained earnings		38,602	37,804
Equity attributable to equity holders of the parent		**132,602**	**131,804**
Minority interest		0	0
TOTAL EQUITY		**132,602**	**131,804**
Non-Current Liabilities		**55,968**	**54,175**
Convertible loan notes		42,598	40,431
Obligations under finance lease		2,412	2,720
Bank loans and Other Borrowings		3,409	3,941
Retirement benefit obligations		4,218	3,996
Provisions		2,806	2,527
Deferred tax liabilities (1)	note 5	525	560
Current Liabilities		**72,196**	**78,103**
Obligations under finance lease		265	258
Bank overdrafts and loans		6,480	10,092
Trade and other payables	note 7	64,503	66,351
Current income tax liabilities		403	523
Provisions		545	879
Liabilities directly associated with non-current assets classified as held for sale		0	0
Total Current Liabilities		**72,196**	**78,103**
TOTAL LIABILITIES		**128,164**	**132,278**
TOTAL EQUITY and LIABILITIES		**260,766**	**264,082**

(1) comparative figures have been restated to reflect netting of deferred tax assets and deferred tax liabilities per legal entity

Condensed consolidated statement of changes in equity for the period ended September 30, 2010

	Share Capital	Share Premium	Convertible bond	Retained earnings	Total
Balance at April 1, 2009	**32,193**	**50,006**	**12,687**	**35,575**	**130,461**
Net profit/(loss)				-1,741	**-1,741**
Share based compensation		120			**120**
Transfer within equity		-1,126		1,126	**0**
Other				-2	**-2**
Balance at September 30, 2009	**32,193**	**49,000**	**12,687**	**34,958**	**128,838**
Balance at April 1, 2010	**32,193**	**49,120**	**12,687**	**37,804**	**131,804**
Net profit/(loss)				798	798
Share based compensation					0
Balance at September 30, 2010	**32,193**	**49,120**	**12,687**	**38,602**	**132,602**

Condensed consolidated statement of cash flows for the period ended September 30, 2010

	30/09/2010 EUR '000	30/09/2009 EUR '000
EBIT	**3,615**	**1,254**
Depreciation and amortization	2,231	2,474
Impairment losses on assets	0	0
Write-offs on assets	0	0
Value adjustments of financial investments	0	0
Provisions and allowances	158	-115
Restructuring charges	0	0
(Gains) / Losses on disposals of assets	-502	-115
Share-based compensation	0	120
Negative goodwill	-800	0
Other adjustments	-675	186
Gross Operating Cash Flow	**4,027**	**3,805**
Changes in working capital	958	4,846
Net Operating Cash Flow	**4,985**	**8,651**
Income taxes paid	-213	-115
Net Cash Flow from Operating Activities	**4,772**	**8,536**
Interest received	55	88
Dividend received	0	0
Increase / Decrease of receivables (1)	0	0
Investments in intangible assets	-75	-22
Investments in property, plant and equipment	-384	-419
Acquisitions of investment property	0	0
Cash-in acquisition Lille branch	1,352	0
Deferred payment on acquisition of Axias	-1,446	0
Disposals of intangible assets and property, plant and equipment	554	228
Investments classified as held for trading (SICAVS) cash inflow	8,064	4,089
Investments classified as held for trading (SICAVS) cash outflow	-1,006	-2,170
Net Cash Flow from Investment Activities	**7,114**	**1,794**
Interest paid	-620	-692
Capital Increase	0	0
Buy-back convertible bond	0	0
Dividend paid	-1	0
Increase / Decrease financial liabilities cash inflow	0	0
Increase / Decrease financial liabilities cash outflow (1)	-2,889	-1,567
Cash Flow from Financing Activities	**-3,510**	**-2,259**
Effect of exchange rate changes	0	0
Effect of change in scope of consolidation	0	0
Changes in Cash and Cash Equivalents	**8,376**	**8,071**
Net cash position opening balance	37,637	23,456
Net cash position closing balance	46,013	31,527
Total Cash movement	**8,376**	**8,071**

(1) comparative figures adjusted for non cash movement of Finance lease receivables/payables

Notes to the condensed consolidated financial statements

NOTE 1 - STATEMENT OF COMPLIANCE

The condensed consolidated financial statements of RealDolmen for the period ended September 30, 2010 have been prepared in accordance with IAS 34 - Interim Financial Reporting as adopted by the European Union at September 30, 2010.

The Group did not elect for early application of the new standards and interpretations which were issued at the date of approval of these financial statements but were not yet effective on the balance sheet date.

With the exception of certain reclassification adjustments made (see footnotes on topsheets) the financial statements for the period ended September 30, 2010 have been prepared in accordance with the valuation rules applicable to the financial statements of RealDolmen as per March 31, 2010.

NOTE 2 - OPERATING SEGMENT INFORMATION

For management purposes, the Group is currently organized into three operating divisions: Infrastructure Products, Professional Services and Business Solutions. These divisions are the basis on which the Group reports its primary segment information. Principal activities are as follows:

- Infrastructure Products: hardware products and software licenses.
- Professional Services: encompasses services (like all development and infrastructure competences) and products (own IP under the form of courseware, development methodologies, project management methodologies, building blocks etc…).
- Business Solutions: these are the turnkey solutions built with own software or on top of 3rd party platforms. In this area RealDolmen will sell services and products, such as 3rd party software or own IP under the form of licenses.

Segment total revenue and segment total result

	Segment revenue		Segment result	
	30/09/2010 EUR '000	30/09/2009 EUR '000	30/09/2010 EUR '000	30/09/2009 EUR '000
Continuing operations				
Infrastructure Products	34,049	30,911	1,656	720
Professional Services	61,828	61,121	2,746	3,867
Business Solutions	16,926	18,949	-12	671
Corporate (1)	0	0	-775	-4,004
	112,803	**110,981**	**3,615**	**1,254**
net financial result			*-2,842*	*-2,632*
Profit before tax			773	-1,378
Income tax expense			25	-363
Profit for the year from continuing operations			798	-1,741
Consolidated revenue and result for the year	**112,803**	**110,981**	**798**	**-1,741**

(1) the line 'Corporate' also contains the negative goodwill (€800k) on the acquisition of the Lille branch and the related acquisition costs (€204k)

The revenue presented above is solely generated from external customers. There were no intersegment sales during the financial year 2010-2011 or 2009-2010.

NOTE 3 - OTHER OPERATING INCOME AND EXPENSES

	30/09/2010 EUR '000	30/09/2009 EUR '000
Other operating income	1,467	613
Other operating expenses	-267	-541
Total other operating income and expenses	**1,200**	**72**

The other operating income include amongst other gains on the disposal of property, plant and equipment (€503k, September 2009: €128k), insurance compensations (€580k, September 2009: €100k) and employee own contributions (€162k, September 2009: €77k).

The increase is the result of higher insurance compensations and more gains from the disposal of property.

The other operating expenses consist mainly of property withholding taxes (€46k, September 2009: €39k), operating taxes on company cars (€91k, September 2009: €105k), impairment loss on trade receivables (€71k, September 2009: €256k) and fines (€32k, September 2009: €96k).

NOTE 4 - OPERATING CHARGES RECURRING

	30/09/2010 EUR '000	30/09/2009 EUR '000
Services and other goods		
Rent and maintenance building and utilities	1,456	1,476
Subcontractors and consultants	16,715	15,221 (1)
Car cost	5,458	5,040
Travel expenses	752	271
Transport costs	33	74
Administration and system expenses	429	225
Telecommunications, postal and administrative expenses	459	533
Insurance cost	128	168
Recruitment and training expenses	327	112
Marketing expenses	631	434
Other expenses	239	311 (1)
Total services and other goods	**26,627**	**23,865**

Employee benefits expense		
Salaries & wages	41,371	42,948 (1) (2)
Social security charges	8,304	9,010
Personel Insurance	1,666	1,703
Pension cost	195	327 (2)
Share Option Plan	0	120
Other	228	266
Total employee benefit expense	**51,764**	**54,374**

Employee benefits expenses amount to €51,764k (September 2009: €54,374k) and include all wage and salary costs, provisions for holiday pay, personnel insurances, year-end bonusses and retirements costs and the Directors remunerations.

The RealDolmen Group employed 1,515 FTE on average compared to 1,590 FTE in 2009. This resulted in a decrease of the employee benefits expenses compared to the same period last year.

Provisions and allowances		
Provisions (reversal) (3)	114	-406
Impairment losses doubtful debtors (reversal)	-69	-148
Impairment losses obsolete inventories (reversal)	61	33
Total provisions and allowances	**106**	**-521**

(1) restatement of the Directors remunerations from 'subcontractors and consultants' and 'other expenses' to 'salaries and wages' in the comparatives in accordance with IAS 19.6
(2) reclass between 'pension cost' and 'salaries & wages' (€66k)
(3) this amount is composed of €309k (September 2009: €178k) additions mainly relating to claims from former employees and losses on contracts and €195k (September 2009: €584k) utilization mainly relating to customer litigation provisions

NOTE 5 - DEFERRED TAXES

The legal merger of Real and Dolmen will result in net positive taxable income in Belgium in the foreseeable future, and as such, part of the unused Belgian tax losses carried forward in RealDolmen has been recognized. After the preparation of the Corporate tax return for fiscal year 2010 the amount of tax losses carried forward is fixed at €145m.

Deferred taxes on the tax loss carried forward of RealDolmen

Based on the fact that the business combination of Real and Dolmen will result in a net positive taxable base in the near foreseeable future, management considers it appropriate to recognize part of the unused tax losses carried forward. The estimated combined taxable basis in the near foreseeable future amounted to €61,091k as per March 31, 2010 which resulted in a recognized deferred tax asset of €20,160k. These deferred tax assets have been recognized through profit and loss according to IAS 12 par 67.

Based on the analysis performed per September 30, 2010, management estimates that the combined taxable basis in the near foreseeable future will be sufficient in order to be used against the deferred tax asset of €20,160k as per March 31, 2010.

Income taxes are positive because the deferred tax income on IFRS adjustments exceeds the deferred tax expenses on the IFRS adjustments and is higher than the local income tax expense of the foreign subsidiaries.

NOTE 6 - TRADE AND OTHER RECEIVABLES

	30/09/2010 EUR '000	31/03/2010 EUR '000
Gross amount trade receivables	73,512	76,408
Allowance for doubtful debts	-1,781	-1,849
Net carrying amount trade receivables	**71,732**	**74,558**
Other receivables	3,648	4,406
Deferred charges	*888*	*793*
Accrued income	*24*	*5*
Other receivables	*2,735*	*3,608*
Trade and other receivables	**75,380**	**78,964**

The average credit period on our turnover is 98 days (March 2010: 97 days). In practice, no interest is charged on the trade receivables. However, the general sales conditions foresee a legal interest rate of 12% per year, which is only applied in specific cases. The outstanding receivables within the Group are closely monitored. Based on a case by case analysis and by reference to past experiences, an allowance for doubtful debtors will be set up. The allowance is approved by the Group controller before being recorded.

Before accepting new customers, the Group uses an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Generally speaking, RealDolmen has large solvent clients in stable sectors. There are no clients who represent more than 5% of the total balance of trade receivables, so the concentration of risks is very limited. An additional advantage of the IT sector is that the budgets for IT-investments and -developments are often being made available before the project starts. Therefore, RealDolmen has very low write-offs on doubtful debtors.

Included in the Group's trade receivable balance are billed debtors with a carrying amount of €43,524k (March 2010: €49,123k) which are current or past due at the balance sheet date for which the Group has not provisioned as there has not been a significant change in credit quality and the amounts are still considered recoverable. The Group does not hold any collateral over these balances.

Ageing of trade receivables that are not impaired

	30/09/2010 EUR '000	31/03/2010 EUR '000
Current	29,554	31,740
Overdue less than 91 days	10,683	14,240
Overdue 91-120 days	2,185	1,871
Overdue > 121 days	1,102	1,272
	43,524	**49,123**

The decrease of the trade receivables mainly relates to the decline in the business during the first 6 months of the year and the continued strict follow up of the outstanding debtors by the credit control department.

NOTE 7 - TRADE AND OTHER PAYABLES

	30/09/2010 EUR '000	31/03/2010 EUR '000
Trade payables	21,624	17,894
Other payables	42,879	48,457
Deferred income & accrued charges	*6,222*	*8,826*
Social and fiscal payables	*32,017*	*34,046*
Dividends payable	*526*	*526*
Advances on non-completed work	*2,943*	*3,822*
Third party contracts in progress	*519*	*728*
Other	*652*	*509*
Trade and other payables	**64,503**	**66,351**

The increase in the trade payables is mainly due to some large hardware deals in the last month of the semester.

The average credit period on purchases is 55 days (2009-2010: 46 days).

The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

NOTE 8 - FINANCIAL ASSETS HELD FOR TRADING

	30/09/2010 EUR '000	31/03/2010 EUR '000
SICAV's	670	7,725

Per September 30, 2010 the SICAV's relate to Airial (France) and are measured at fair value through profit and loss. Both the realized and unrealized gains on these SICAV's are recorded under financial income in the income statement. During the first half year RealDolmen NV (Belgium) sold its SICAV's, explaining part of the increase in the cash and cash equivalents.

NOTE 9 - BUSINESS COMBINATIONS

Airial, member of RealDolmen, acquired operational branch of T-Systems in Lille on July 1, 2010
Airial, French member of RealDolmen, has acquired the operations of T-Systems in Lille with annual revenue of approximately €3m and about 40 full-time associates. The Lille branch is, as Microsoft Gold certified partner, a MS.NET and life insurance skill centre. It is specialized in the development and promotion of a life insurance solutions framework in France, Belgium and Luxemburg. The business nicely strengthens Airial's existing position in the retirement business. As a MS.NET competence centre, the new branch further complements the technology offering of the French operations. Last but not least the business has the right profile to become a platform from which we will further develop RealDolmen's offering to the market in the north of France.

For Airial and the RealDolmen Group this acquisition is a perfect strategic fit as it gives the opportunity to start a local singlesource activity in the north of France while strengthening the Group's presence within the local insurance business.

The Lille branch of T-Systems will work under the Airial flag and will receive full support from the wider Airial and RealDolmen structures and shared services. Operations will remain in Lille. The business operations both towards employees and customers will be further developed and strengthened with other offerings from the Group.

Airial acquired 100% of the business of the Lille branch of T-Systems on July 1, 2010. The acquisition price is €1 and includes all tangible and intangible assets of the business and the employees / social liabilities have been taken over.

Assets acquired and liabilities recognised at date of acquisition

	30/09/2010 EUR '000
Intangible assets	0
Property, plant, equipment and furniture	0
Accrued payroll liabilities	-336
VAT payable	-156
Advances paid	-60
Fair value of net assets acquired (1)	**-552**

Negative goodwill arising on acquisition

Consideration received	1,352
Fair value of assets acquired	-552
Negative goodwill	**800**

Tangible assets are mainly office machinery (eg. laptops) and office furniture. Intangible assets refers to customers agreements, knowhow and brand name.

The turnover of the Lille branch since acquisition date is €658k resulting in zero EBIT. Both amounts are included in the condensed consolidated statement of comprehensive income. If the acquisition would have been realized on April 1st 2010, the estimated turnover of this business for the 6 months would have been €1,316k. The operation would have been break-even during this same period.

Net cash inflow on acquisition

Consideration received	1,352
Cash and cash equivalents balances acquired	0
Net cash inflow	**1,352**

(1) fair value of intangibles only provisionally determined per September 30, 2010

The initial accounting for the acquisition has only been provisionally determined at September 30, 2010. At the date of finalisation of these financial statements, the necessary market valuations and other calculations had not been finalized and the negative goodwill has therefore only been provisionally determined based on the director's best estimate. The negative goodwill was recognised under the line 'Non-recurring revenues' in the statement of comprehensive income. The costs relating to the acquisition (mainly lawyer fees) have been recognised under the line 'Non-recurring charges' in the statement of comprehensive income.

2.1 Events after balance sheet date

No events after balance sheet date took place up to the date of this report that would influence the future financial position of the Company.

However, it is worth mentioning that the shareholder structure of the Company changed and that, as a consequence, the composition of the Board of Directors was modified. In March 2010, the Belgian investment fund QuaeroQ cvba acquired 9.34% and two private Belgian investors acquired each 1.87% of the company's equity in a transaction with Real Holdings, LLC, affiliate of The Gores Group. After The Gores Group through its affiliate, Real Holdings, LLC sold its remaining participation in RealDolmen to various institutional shareholders, Ashley W. Abdo, William B. Patton Jr., Joseph P. Page and Scott M. Honour resigned as directors.

On 8 September 2010, the General Shareholders Meeting appointed for a term of 4 years Pamica NV represented by Michel Akkermans, Independent Non-Executive Director; All Together BVBA, represented by Bruno Segers, Managing Director - CEO; Temad BVBA, represented by Thierry Janssen, Independent Non-Executive Director; DR Associates BVBA, represented by Filip Roodhooft, Independent Non-Executive Director; Jef Colruyt, Non-Executive Director; Wim Colruyt, Non-Executive Director; Gaëtan Hannecart, Non-Executive Director and At Infinitum NV, represented by Dimitri Duffeleer, Non-Executive Director.

The Board of Directors decided to maintain the Audit Committee and the combined Nomination & Remuneration Committee as specialized committees. Independent Director Filip Roodhooft will chair the Audit Committee and Independent Director Thierry Janssen together with Dimitri Duffeleer will act as committee members. Independent Director and Chairman of the Board Michel Akkermans will chair the Nomination & Remuneration Committee and Independent Director Thierry Janssen together with Wim Colruyt will act as committee members.

Furthermore, the Board of Directors has decided to reduce director fees in order to remain within the €300,000 budget voted by the General Shareholders Meeting of 8 September 2010. The fees will be paid on an annual, fixed basis in function of respective roles:

- €70,000 for the Chairman of the Board;
- €20,000 base fee for other Directors, to be increased with €15,000 for the function of Chairman of a committee or €7,500 for membership of a committee.

3 Auditor Statement

Deloitte.

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RealDolmen NV

Limited review report on the consolidated half-year financial information for the six-month period ended 30 September 2010

The original text of this report is in Dutch

Deloitte Bedrijfsrevisoren / Reviseurs d'Entreprises
Burgerlijke vennootschap onder de vorm van een coöperatieve vennootschap met beperkte aansprakelijkheid /
Société civile sous forme d'une société coopérative à responsabilité limitée
Registered Office: Berkenlaan 8b, B-1831 Diegem
VAT BE 0429.053.863 - RPR Brussel/RPM Bruxelles - IBAN BE 17 2300 0465 6121 - BIC GEBABEBB

Member of Deloitte Touche Tohmatsu

Deloitte.

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RealDolmen NV

Limited review report on the consolidated half-year financial information for the six-month period ended 30 September 2010

The original text of this report is in Dutch

To the board of directors

We have performed a limited review of the accompanying condensed consolidated statement of financial position, condensed consolidated statement of comprehensive income, condensed consolidated statement of cash flows, condensed consolidated statement of changes in equity and selective notes 1 to 9 (jointly the "interim financial information") of RealDolmen NV ("the company") and its subsidiaries (jointly "the group") for the six-month period ended 30 September 2010. The board of directors of the company is responsible for the preparation and fair presentation of this interim financial information. Our responsibility is to express a conclusion on this interim financial information based on our review.

The interim financial information has been prepared in accordance with IAS 34, *"Interim Financial Reporting"* as adopted by the EU.

Our limited review of the interim financial information was conducted in accordance with the recommended auditing standards on limited reviews applicable in Belgium, as issued by the "Institut des Réviseurs d'Entreprises/Instituut van de Bedrijfsrevisoren". A limited review consists of making inquiries of group management and applying analytical and other review procedures to the interim financial information and underlying financial data. A limited review is substantially less in scope than an audit performed in accordance with the auditing standards on consolidated annual accounts as issued by the "Institut des Réviseurs d'Entreprises/Instituut van de Bedrijfsrevisoren". Accordingly, we do not express an audit opinion.

Based on our limited review, nothing has come to our attention that causes us to believe that the interim financial information for the six-month period ended 30 September 2010 is not prepared, in all material respects, in accordance with IAS 34 *"Interim Financial Reporting"* as adopted by the EU.

Diegem, 18 November 2010

The statutory auditor

DELOITTE Bedrijfsrevisoren / Reviseurs d'Entreprises
BV o.v.v.e. CVBA / SC s.f.d. SCRL
Represented by Gert Vanhees

4 Fair representation statement

The undersigned declare that to the best of their knowledge:

- The condensed interim financial statements for the six months period ended 30 September 2010, which have been prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of RealDolmen, and the undertakings included in the consolidation as a whole (the “Group”);

- This interim annual report includes a fair review of the important events and major related parties transactions that have occurred during the first six months of the financial year, and their impact on the condensed set of financial statements, together with a description of the principal risks and uncertainties for the remaining six months of the financial year.

Huizingen, November 18, 2010

On behalf of the Board of Directors

Pamica NV	All Together BVBA
represented by Michel Akkermans	represented by Bruno Segers
Chairman of the Board of Directors	Managing Director - CEO