Interim results for the six months ended 30 September 2008

RealDolmen, the independent single source ICT solutions provider and knowledge company, announces results for the six months ended 30 September 2008, showing good growth across all metrics.

Highlights

- *Turnover up 16.1% in first half after strong Q1. Higher margin Professional Services and Business Solutions show continued growth in Q2*
- *Operational result before nonrecurring items (REBIT) up 42%, with REBIT margins up to 5.6%, despite integration costs*
- *Operating cash flow up 62% to €9.4m*
- *Integration of acquisition continues in line with expectations, with first cross-selling opportunities coming through*
- *€20m buy back of convertible bond in October 2008 for €10m in cash will improve the net debt position*

Half year results September 2008

in m €	**IFRS 30/09/08**	**PF (1) 30/09/07**	**% Var. vs 30/09/2007**
Turnover continued operations	130,7	112,6	16,1%
Operating res.cont. bef. non recurring.(REBIT)	7,4	5,2	42,0%
Margin	*5,6%*	*4,6%*	
Operating result continued operations (EBIT)	6,0	4,8	25,2%
Net profit (loss) for the year	2,0	0,0	
EBITDA (2)	8,7	7,1	21,3%
Margin	*6,6%*	*6,3%*	
	IFRS 30/09/2008	**IFRS 31/03/2008**	**Var. vs 31/03/2008**
Equity	115,0	111,2	3,8
Net Debt (3)	40,0	37,0	3,0

(1) Combined not audited numbers for Dolmen CA and Real Software NV

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

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

Bruno Segers, Chief Executive Officer of RealDolmen, commented:
"We are pleased with the progress of the new, combined RealDolmen. We saw good growth across all metrics in the first half, driven by a strong Q1 performance, and continued growth in Q2 in Business Solutions and Professional Services. We anticipate that our customer base will start to feel the effects of the economic downturn in H2 and so we expect the lower level of growth seen in Q2 to continue into the second half of the year. However, our strong market position, good spread of customers across a number of sectors and strengthened product offering give us confidence that we can generate a small level of growth in revenue and maintain REBIT margins for the full year. We are continuing to invest in the integration of the two businesses which we expect to lead to an improvement in margins over the next 12 months."

Enquiries:

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Bruno Segers, CEO

Turnover

Turnover in H1 increased by 16,1% compared to the prior year, of which 11,2% was due to organic growth (excluding the acquisition of NEC Philips Unified Solutions NV/SA last year). After a strong Q1, in Q2 we continued to see steady growth in Professional Services (up 8%) and good growth in Business Solutions (up 23%) but 1,6% lower volumes for Infrastructure Products. Demand for our products and services remains strong, and to a certain extent our growth in Q2 has been limited by a delay in recruitment while the acquisition was completed. With the demand still there, we are carrying out an active recruitment drive in order to meet this demand.

Turnover per segment in €mio	HY 2008/09	PF HY 2007/08	% Variance
Infrastructure Products	41,9	36,5	14,5%
Professional Services	69,0	62,5	10,3%
Business Solutions	20,0	13,6	47,5%
Total Group	130,7	112,6	16,1%

Pro Forma: sum of reported turnover by Real Software NV and Dolmen CA NV for the period 1 April – 30 September 2007

- **Infrastructure Products:** Turnover increased in H1 by 14,5%, of which 10,3% is organic growth and reflects in part a number of significant deals which closed in Q1. Turnover in Q2 was at a similar level to the prior year (-1,6%).
- **Professional Services:** Turnover increased in H1 by 10,3%. In Q2 we saw growth dip to 8,1% as recruitment was paused during the acquisition process. The impact of a successful recruitment campaign aimed at school leavers is expected to be seen in Q4.
- **Business Solutions:** Turnover increased in H1 by 47,5%, with growth in Q2 of 23,3%. The continued strong growth was due to successes in our Customer Relationship Management solution and Microsoft Dynamics AX (ERP) solution and a high demand for additional development on installed own-IP solutions.

The following sample of contracts and customers were won in the first half, across a spread of sectors:

- At **Fost Plus,** the waste management and recycling company, RealDolmen entered into a services contract to entirely renew their IT-environment. RealDolmen will assist with the architecture and will also manage and support it, including providing the housing and hosting for this operational environment. This is a complex and extensive program spread over the next five years.

- The **Vlaamse Maatschappij voor Watervoorziening (VMW**), the Flemish water board**,** has chosen RealDolmen for the hosting, implementation and maintenance of its server park. The VMW wants to increase the availability of its corporate systems and reduce their risks. This contract has a value of almost €3 million.

- At the **A.G.I. (Administration Générale de l'Infrastructure)** of the Department of the French Community in Belgium, RealDolmen will deliver an ICT-solution for the management of their direct and indirect immovable investments and interventions related to the "PPT" program (Programme Prioritaire des Travaux). This project represents a value of almost €700,000.

- The **French Department of Agriculture** has entrusted the modernization of its HR systems to the French RealDolmen subsidiary Airial. The project covers the plan-build-operate of a new java J2EE application titled "AGORHA". It has a value of €6 million and will be finished by 2010.

- IBSY, the integrated banking solution of the Luxemburg RealDolmen subsidiary Real Solutions, has been selected by **Credit Suisse** to cover the IT needs of the new private banking entity they will launch in Poland next year. The project runs until 2009 and includes, in addition to traditional private banking functionality, also some local tax and regulatory aspects. This same type of project was already successfully executed for the Luxemburg and Austrian entity of Credit Suisse. The IBSY banking solution package covers the front, middle and back office functions of a private bank.

- RealDolmen, also won a mandate in the period to automate the entire back office of **Torfs**, a large Belgian fashion retail chain. This will be accomplished using Microsoft Dynamics AX, the specific add-on for the retail RCM (Retail Chain Manager) and FX (Fashion Extended). This automation project also includes purchasing, all logistic processes, a link to the chain's new sorting machine and an interface to the cash point software (Torex). This project represents a value of about €800,000.

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

We saw an improvement in REBIT margins from 4,6% to 5,6%, reflecting the net positive effect of synergies realised despite the integration cost incurred in H1. However, in-line with plan, we will be investing more in the integration plan in H2 in order to establish a single administrative platform and fully integrated operations by year end. As a result, it is expected that these additional one-time integration costs will counter any synergies which are realised during the current financial year. We will therefore expect to see the first real synergy benefits coming through in the next financial year, as anticipated.

Segment information	HY September 2008					PF restated HY September 2007 (1)				
in €mio	Infra Products	Prof Services	Business Solutions	Corp orate	Group	Infra Products	Prof Services	Business Solutions	Corporate	Group
Turnover	41,8	69,0	20,0		130,7	36,5	62,5	13,6		112,6
Oper result bef non recurring	1,2	5,9	2,3	-2,1	7,4	1,2	4,6	0,9	-1,5	5,2
%	2,9%	8,6%	11,6%	-1,6%	5,6%	3,3%	7,3%	6,9%	-1,4%	4,6%

(1) Combined not audited numbers for Dolmen CA and Real Software NV restated for additional €1,2m allocation of Corporate overhead to business segments in line with September 2008

Margins in the **Infrastructure Products** division fell from 3,3% to 2,9% because of lower margins within the newly acquired Dolmen NP product business. In addition, the Group did not make use of offered vendor cash payment discounts in the first three months following the migration to our new IT platform. Current margins for our Infrastructure Products remain in-line with industry averages.

In H1, we saw an improvement in margins from 7,3% to 8,6% in **Professional Services** because of strong growth and lower overhead costs. As part of the integration, we expect to spend more time in H2 on internal integration projects which will impact billable hours, but will result in synergies which will be seen in the next financial year. In addition, we are facing two further challenges in Q4: increasing sales prices based on the automatic wage indexation due in January for our Belgian Operations and a number of contracts coming up for renewal in Q4. We are confident that these contracts can be renewed in Q4 at favorable terms.

Margins in **Business Solutions** also significantly improved from 6,9% to 11,6% because of strong growth and improved productivity. In H2 we expect less development project work, thereby freeing up resources for planned investments in the development of our technology roadmap.

In the period we also saw an increase in **Corporate costs** because of investment in the integration project. In H2 we will be investing more in the internal integration and process optimization project. This will enable further consolidation of the administrative platform and implementation of the integrated processes before the end of the financial year, which will be the basis for the synergies coming through in the next financial year.

Operating result from continued operations (EBIT)

EBIT improved by 25,2% to €6,0m, with margins of 4,6%. The difference with REBIT mainly consists of a €1,3m restructuring cost being incurred as a result of the immediate removal of duplicate roles and relates primarily to termination costs.

Net Profit total group

A €2,0m profit was achieved, a significant improvement on the previous year. While the Net Profit increase is partly due to the increased REBIT, it also reflects a €1,4m lower Income tax bill because of available tax loss carry forward for the Belgian operations. Financial income is lower due to €22,8m cash used for the stock buy back in Dolmen CA NV in November 2007.

Gross operating cash flow

Gross operating cash flow was very positive, increasing by 62% from €5,8m to €9,4m. However, this is not reflected in cash balances due to the exceptionally high €12,2m increase in working capital. The increase in working capital includes a one time €4m payment of acquisition fees, an increase in inventory compared to the exceptional low inventory at end of prior year (warehouse closed one week earlier because of migration to new ERP platform) and an increase in trade receivables because of the 16,1% growth in turnover. We expect a reduction in working capital in H2 through a combination of expected lower growth rates and measures being put in place to reduce it.

Equity/Net Debt

Equity rose €3,8m mainly because of the €1,7m conversion of a second tranche of debt (into equity) related to the former Axias owners and the €2,0 net profit in H1.

The transaction of the Convertible bond buy-back in October 2008 resulted in a one time €6,1m net profit and net debt improvement that will be recorded in H2. The corresponding expected savings in financial interests on a full year basis amount to €1,5m considering also the loss on interest on cash.

The total debt position amounts to €74,6m and consists mainly of a €59,9m convertible debt at favorable terms with maturity in July 2012. Cash balances amount to €34,6m and remain strong even after the €10m convertible bond buy back in October 2008.

Status of integration

The integration is proceeding as planned and on schedule. The entire organization and its divisions are aligned. All client facing functions (sales and services) have been reorganized as one customer facing division. An illustration of our new combined offering to the market is for instance the previously Fost Plus deal.

The migration and convergence plan of internal ICT (software, infrastructure and communication) has been finalized and is ready for implementation. Major efforts are still planned in H2, with the focus on completing a project to optimise internal processes as well as creating one administrative platform and fully integrated operations. The consolidation and integration is expected to be completed by the financial year end and synergies will become apparent next year.

The number of employees increased by 146, from 1708 employees in September 2007 to 1854 in September 2008, mainly due to the acquisition of Dolmen NP and the successful recruitment campaign aimed at school leavers. The attrition rate remains stable and is in line with the industry average of 15%.

Prospects for 2008/2009

We anticipate that our customer base will start to feel the effects of the economic downturn in H2 and so we expect the lower level of growth seen in Q2 to continue into the second half of the year. However, our strong market position, good spread of customers across a number of sectors and strengthened product offering give us confidence that we can generate a small level of growth in revenue generation and maintain REBIT margins for the full year. Our presence in the financial sector is limited, while our strong presence in the public sector is expected to be anti-cyclical.

In terms of activity over the next six months, on a divisional basis, we expect some of our customers to delay investments in Infrastructure Products. This might affect volumes in comparison with last year. With Professional Services, we expect to see a positive impact in Q4 following a successful recruitment campaign improving volumes over last year. In addition, as noted, the majority of our contracts renew in January 2009, and we expect limited problems with the renewal of these existing contracts. For Business Solutions we are expecting lower demand for development in our own IP solutions in H2, which will allow planned investments in the roadmap of our own IP. In light of these potential variables, the management is focused on sensible allocation of staff.

As expected, this year's synergies will be offset by the integration costs. In H2 we will focus on the completion of the integration and process optimization project, for completion at the end of the financial year. This will pave the way for REBIT and margin improvement and the full impact of synergies in the next financial year.

Considering our strong cash position and market leadership RealDolmen is well positioned to face the economic challenges ahead.

END.

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About RealDolmen

RealDolmen is an independent single source ICT solutions provider and knowledge company with over 1900 highly skilled IT professionals and more than 1000 customers in the Benelux and France. The company offers innovative, effective and reliable ICT solutions and professional services designed to help its clients achieve their objectives by optimizing their business processes.

Condensed consolidated Income Statement September 30, 2008

		30/09/2008 EUR '000	Proforma RealDolmen (1) 30/09/2007 EUR '000
CONTINUING OPERATIONS			
Operating Revenue		**131.714**	**113.442**
Turnover	Note 2	**130.738**	**112.563**
Other operating income	Note 4	976	879
Operating Charges		**-124.340**	**-108.250**
Purchases of goods for resale, new materials and consumables		-38.982	-33.467
Services and other goods	Note 3	-25.520	-22.859
Employee benefits expense	Note 3	-56.701	-49.743
Depreciation and amortization expense		-2.701	-2.386
Provisions and allowances		-46	609
Other operating expenses	Note 4	-390	-404
OPERATING RESULT before NON-RECURRING		**7.374**	**5.192**
Non-recurring revenues		0	214
Restructuring charges	Note 5	-1.292	190
Impairment loss		0	0
Other non-recurring charges		-121	-839
OPERATING RESULT (EBIT)		**5.961**	**4.760**
Share of profit of associates		0	0
Investment revenues		0	0
Financial income		558	1.291
Financial charges		-3.885	-3.980
Profit (Loss) before income taxes		**2.635**	**2.071**
Income taxes		-646	-2.034
Profit (Loss) for the year		**1.988**	**37**
Attributable to:			
Equity holders of the parent		1.988	37
Minority interest		0	0
EPS (in EURO)			
Basic earnings per share (EUR)	Note 6	**0,004**	
Diluted earnings per share (EUR)	Note 6	**0,004**	

(1) Pro forma not audited combined figures RealDolmen 30 September 2007 is total of Real Software Group actuals for the period April '07 to September '07 added to Dolmen Group published September '07 income statement as presented in Note 12

Condensed consolidated Balance Sheet September 30, 2008

		30/09/2008	31/03/2008
		EUR '000	EUR '000
ASSETS			
Non Current Assets		**143.745**	**145.486**
Goodwill	Note 7	96.732	96.363
Intangible assets		4.170	1.244
Property, plant and equipment		23.343	28.031
Investments in associates		0	0
Deferred tax assets		18.022	18.046
Finance lease receivables		1.479	1.803
Current Assets		**118.550**	**117.130**
Inventories		4.980	2.757
Trade and other receivables		78.974	77.771
Assets classified as held for trading	Note 8	3.653	10.557
Cash and cash equivalents		30.943	26.044
Non Current Assets as held for sale		0	0
Total Current Assets		118.550	117.130
TOTAL ASSETS		**262.295**	**262.616**
EQUITY AND LIABILITIES			
Shareholder's Equity		**115.004**	**104.933**
Share capital		32.193	29.617
Share premium		62.613	57.106
Retained earnings		20.198	18.209
Amounts recognised directly in equity relating to non-current assets classified as held for sale		0	**0**
Equity attributable to equity holders of the parent		**115.004**	**104.933**
Minority interest		0	6.283
TOTAL EQUITY		**115.004**	**111.216**
Non-Current Liabilities		**75.884**	**74.128**
Convertible loan notes		59.852	56.947
Obligations under finance lease		3.961	4.285
Bank loans and Other Borrowings		3.103	4.676
Other non-current liabilities		0	0
Retirement benefit obligations		2.763	1.861
Provisions	Note 9	4.141	4.152
Deferred tax liabilities		2.063	2.207
Current Liabilities		**71.403**	**77.220**
Convertible loan notes		0	0
Obligations under finance lease		129	251
Bank overdrafts and loans		7.579	7.488
Trade and other payables		62.626	68.386
Current income tax liabilities		955	849
Provisions	Note 9	113	246
Derivative financial instruments		0	0
Liabilities directly associated with non-current assets classified as held for sale		4	**52**
Total Current Liabilities		**71.407**	**77.272**
TOTAL LIABILITIES		**147.291**	**151.400**
TOTAL EQUITY and LIABILITIES		**262.295**	**262.616**

Condensed consolidated Cash Flow Statement Period ending September 30, 2008

	30/09/2008	Proforma RealDolmen 30/09/2007 (1)
	EUR '000	EUR '000
EBIT	**5.961**	**4.760**
Depreciation and amortisation	2.701	2.442
Impairment of assets	0	0
Impairment losses on assets	0	0
Write-offs on assets	0	-168
Value adjustments of financial investments	0	-1.229
Changes in provisions	804	219
(Gains) / Losses on disposals of assets	-265	-230
Share-based compensation	103	0
Income from associates	0	0
Other non-cash movements	67	45
Gross Operating Cash Flow	**9.372**	**5.838**
Changes in working capital	-12.222	-18.084
Inventories	*-2.217*	*-295*
Trade and other receivables	*-1.389*	*-518*
Trade and other payables	*-8.616*	*-17.272*
Net Operating Cash Flow	**-2.850**	**-12.246**
Income taxes paid	-404	-1.120
Net Cash Flow from Operating Activities	**-3.254**	**-13.366**
Interest received	470	1.222
Dividend received	0	0
Increase / Decrease of receivables	0	0
Investments in intangible assets	-858	-81
Investments in property, plant and equipment	-237	-881
Acquisitions of investment property	0	0
(Adjustment on) Acquisition of subsidiary	150	-809
Disposals of intangible assets and property, plant and equipment	366	448
Proceed from disposal of subsidiary	0	0
Disposals of investments available for sale	0	0
Proceeds from the sale of investments classified as held for trading (SICAVS)	6.905	0
Net Cash Flow from Investment Activities	**6.796**	**-101**
Interest paid	-1.493	-1.229
Capital Movement	1.697	19.501
Proceeds convertible bond	2.905	53.896
Dividend paid	-151	-2.179
Repayment of financial debts	-1.602	-8.541
Cash Flow from Financing Activities	**1.356**	**61.448**
Effect of exchange rate changes	0,00	0,00
Effect of change in scope of consolidation	0,00	0,00
Changes in Cash and Cash Equivalents	**4.898**	**47.981**
Net cash position opening balance	26.044	44.026
Net cash position closing balance	30.943	92.007
Total Cash movement	**4.898**	**47.981**

(1) Pro forma not audited combined figures RealDolmen 30 September 2007 as presented in Note 12

Condensed consolidated Statement of Changes in Equity for the period ended 30 September 2008

	Share Capital	Share Premium	Convertible bond	Retained earnings	Minority Interest	Total
Balance at 1 april 2007	**17.574**	**475.326**	**0**	**-482.439**	**0**	**10.461**
Net profit/(loss)				-3.292		-3.292
Share based compensation						0
Change in scope of consolidation (1)	1.751					1.751
Transfer within equity	-349			349		0
Capital Increase						0
Convertible bond equity component			19.500			19.500
Other				23		23
Balance at 30 September 2007	**18.976**	**475.326**	**19.500**	**-485.359**	**0**	**28.443**
Balance at 1 April 2008	**29.617**	**44.419**	**12.687**	**18.210**	**6.283**	**111.216**
Net profit/(loss)				1.988		1.988
Share based compensation		103				103
Change in scope of consolidation						0
Transfer within equity	2.349	3.934			-6.283	0
Capital Increase (1)	227	1.470				1.697
Convertible bond equity component			0			0
Other	0					0
Balance at 30 September 2008	**32.193**	**49.926**	**12.687**	**20.198**	**0**	**115.004**

(1) Shares paid to former Axias shareholders

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To the Board of Directors

We have performed a limited review of the accompanying consolidated condensed balance sheet, condensed income statement, condensed cash flow statement, condensed statement of changes in equity and selective notes (jointly the "interim financial information") of REALDOLMEN NV ("the company") and its subsidiaries (jointly "the group") for the six-month period ended 30 September 2008. 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 Reviseurs d'Entreprises/Instituut der 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 Reviseurs d'Entreprises/Instituut der Bedrijfsrevisoren". Accordingly, we do not express an audit opinion.

Based on our limited review and nothing has come to our attention that causes us to believe that the interim financial information for the six-month period ended 30 September 2008 is not prepared, in all material respects, in accordance with IAS 34 Interim Financial Reporting as adopted by the EU.

Diegem, 27 November 2008

The Statutory Auditor

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