RealDolmen
Annual Report 2011-2012

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REALDOLMEN

RealDolmen is a public limited company under Belgian law. The company was founded for an unlimited time.

RealDolmen NV has its registered office at A. Vaucampslaan 42 in 1654 Huizingen. The company is registered at the Crossroads Bank for Enterprises ("BCE/KBO") under number 0429.037.235. The company files its statutory documents in compliance with Belgian Company Law at the legal entities register of Brussels.

The Belgian branches of the company are located in De Pinte, Harelbeke, Kontich, Lummen and Namur. The addresses of the foreign branches are provided in this publication and on the company website.

RealDolmen was created after the friendly takeover bid of Real Software nv for the shares of Dolmen Computer Applications nv. After the merger as from 1 April 2008 RealDolmen was chosen as the new name for the merged company. The fiscal year was adapted at that time and now runs from 1 April to 31 march of the next year.

The company is listed since 1997 with a listing on NYSE Euronext (REA ISIN BE0003899193 and REAT ISIN BE0003732469).

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1 Introduction

Dear stakeholder,

It has been four years since the merged group RealDolmen became a fact. Four years during which our 1,642 employees did their utmost, as it is demonstrated by the encouraging results we realised during the past fiscal year, which was, beyond any doubt, a difficult one. Due to the crisis, quite a few clients had to tighten their belt and managed their budget, including the IT budget, more cautiously and rigorously.

RealDolmen has been able to sustain growth successfully with a sales increase of 5,9 percent and a substantial strengthening of the REBIT margin. Furthermore, I would like to refer to our financial structure which allows us to be ready whenever opportunities should arise.

Especially the segment 'infrastructure products' performed really well last year, with revenue growth of more than 11 percent. Performances concerning data centre and front office confirm our reputation and leadership position in terms of new trends in regard with internal cloud and mobile technology initiatives.

The division "professional services" also performed well with a growth of 4,3 percent. In Belgium, we observed a strong increase in sales activities, supported by an increase of the workforce and by slightly higher prices resulting from more project activity.

Revenues in the segment 'business solutions' remained the same. The difficult situation on the Luxembourg market was compensated by the strong performance of our Belgian activities.

The awards we won last year, confirm that we truly are a reference company. Trends and Data News awarded us with the Trends ICT Gazellen award and the title of Trends Gazellen Ambassadeur. RealDolmen was ranked as 'best in class' with the highest score of 83 percent in terms of overall customer satisfaction by KPMG Equaterra in the annual survey 'Outsourcing Service Provider Performance in the BeLux'. Furthermore, we succeeded in gaining a number of new major contracts.

The uncertain economic environment forces us to be cautious for the current fiscal year. We expect the revenues from ‘services’ to continue growing. The revenues from 'products' will probably be slightly lower than last year. In general, we expect a slight growth and a small improvement in margins for fiscal year 2012/13.

We remain confident that our leading market position, the power of our single source offer, the quality and dedication of our people as well as our financial stability will enable us to further increase our market share.

With kind regards,

Michel Akkermans,
Permanent representative of Pamica NV
Chairman Board of Directors

Dear stakeholder,

Financial year 2011/12 is closed. It was a difficult year for the IT sector, which didn't prevent RealDolmen from boosting its turnover by 6 percent and maintaining its profitability. Even better: the operating income before non-recurring items, the so-called REBIT, increased by almost 10 per cent.

However, as already stated, it was not easy. The 'business solutions' segment was affected by the poorer performance within the Luxembourg banking sector, especially during the last quarter. We do all that is necessary to counter the setback, in particular by bringing new products on the market that will positively contribute to the results.

The further improvement of our net debt position is an important issue., We have already fully repaid our bond debt of 75 million euro with the cash that we generated over the past few years. Our strategy is to keep sufficient resources within the company, after having repaid the debt and the destruction of some of our own shares, so that we can respond quickly to any arising opportunities.

We strongly believe that such opportunities will arise in the years to come. We expect a further consolidation and want to play a leading role in it. That is why we are continuously scanning the market in search of companies that can strengthen our offer and that share our values. We strive to operate within the area that you could describe as at Thalys distance from Brussels, which means we are looking at Wallonia, the Netherlands, France and Luxembourg.

Finding suitable employees remains a challenge in the technology sector. Even so, last fiscal year we were able to attract 75 young people who had just left school. They get an internal training for three months after which they are sent to the customers for another three month period to acquire the necessary experience in the field. It is a costly but necessary investment. This year too, we intend to welcome dozens of youngsters.

An internal IT training that takes into account the needs of the moment is important, but our main objective is to convince our new employees to adopt the corporate culture that we are so proud of. RealDolmen strives to be a 'home' for its employees and intends to make them familiar with the RealDolmen core values. When those core values are linked to an appropriate leadership model, we can achieve an optimal collaboration and a successful sharing and managing of our knowledge.

Our ultimate goal remains to be the reference in the local market for integrated solutions supporting the complete ICT lifecycle. Those integrated solutions are based on infrastructure products combined with professional services in order to support company solutions.

This leads us to our ultimate mission: be a single source company with a single soul. Our single source model implies that we are able to provide services and solutions for any ICT domain in any phase: concept development, implementation and maintenance.

We are determined to stay committed to our slogan "We make ICT work for your business". Not technology for techies but technology which helps to facilitate our clients' business. As their trusted advisor, we want to simplify as much as possible the complexity of the ICT domain. That is our commitment, that is what we stand for.

With kind regards,

Bruno Segers
Permanent Representative All Togehter BVBA
Chief Executive Officer

2 Report on activities 2011-2012

- **Full year Revenue grows with 5,9% to €258,5m**
- **Full year REBIT grows with 9,8% to €13,6m, improving REBIT margin to 5,3%**
- **Solid financial structure with no net debt**

Bruno Segers, Chief Executive Officer of RealDolmen, commented:

"We demonstrated good Revenue and REBIT growth with a slight improvement of our REBIT margins. We have also improved most of our metrics while still managing this group for the long term: we did a substantial hiring of young professionals impacting productivity and we continued to take in cost all our investments in Business Solutions roadmap. Both elements affected this year's profit while still delivering results to be proud about . This is especially true in the current economic environment as is illustrated by the decreasing performance of our Luxemburg business in banking. For the next year we are both positive in light of the strengths we have developed over the recent years and cautious given mixed investment appetite on the market."

In m €	IFRS FY 31/03/2012	IFRS H2 31/03/2012	IFRS H1 30/09/2011	IFRS FY 31/03/2011	Variation in % FY vs. FY
Turnover continued operations	258,5	129,4	129,1	244,2	5,9%
Operating results before non recurring (REBIT)	13,6	7,5	6,1	12,4	9,8%
Margin	*5,3 %*	*5,8 %*	*4,7 %*	*5,1 %*	*0,2%*
Operating results continued operations (EBIT)	13,6	7,5	6,1	13,0	4,6%
Net profit (Loss)	7,3	4,2	3,1	7,3	-0,2%
EBITDA (1)	17,0	9,1	7,9	17,2	-1,2%
Margin	*6,6 %*	*7,1 %*	*6,1 %*	*7,0 %*	*-0,5%*

(1) EBITDA = EBIT increased with depreciations and amortizations

	IFRS 31/03/2012	IFRS 31/03/2011	Variation in %
Equity	143,0	139,1	2,8 %
Net debt (2)	-0,5	-2,8	-82,1 %
Cash	51,6	57,5	-10,2 %

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

2.1 Business review

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

At the **ACOD (Algemene Centrale der Openbare Diensten)** RealDolmen won the project to set up a Microsoft Unified Communications environment for about 600 employees, spread over 13 sites. In a first fase focus is on building a basic communications platform using email and voice, and providing elementary UC functionality. During further project stages the environment will be extended into a complete and fully integrated Unified Communications & Collaboration platform.

Sociaal Huis Oostende appealed to the knowledge and experience of RealDolmen for the integration of Microsoft Lync, in order to increase collaboration efficiency and improve effectiveness of their communication with citizens, all this within the familiar Microsoft Office environment.

RealDolmen won the DifTar-project at **IGEAN Milieu en Veiligheid** (environment and safety). DifTar stands for Differentiated Tariffs and follows the "polluter pays" principle. This solution, for which the data is hosted in the RealDolmen DataCenter, automates the administration for a network of about 60,000 sites. This encompasses management of addresses, people, containers, interventions, invoicing and reporting. RealDolmen used her existing DifTar-software "Aorta", used in several other projects. This project was executed in cooperation with Plastic Omnium, world market leader in services and products for waste collection, who also manage the DifTar telephone service "Groene Lijn".

During the past year more contracts were won at, amongst others, these customers:

- Panasonic Energy Belgium
- Pietercil
- Waak Sheltered Workshops
- Jessa Hospital
- Flemish Home Affairs Government Agency
- Deceunick
- Catholic University of Leuven
- French Ministry of Labor, Employment and Health.
- Belgian Federal Public Service Finance
- Vlaamse Landmaatschappij
- Picanol
- French Home Affairs Department

2.1.2 During the year, RealDolmen has received numerous awards as the reference ICT company

The past year RealDolmen continues to affirm its status as reference ICT company. Continued focus on both our single-source strategy and on delivering and improving our operational excellence has resulted in sustained growth throughout the past years. This excellent performance has recently been awarded by Trends and Data News with both the **Trends ICT Gazellen** award and the **Trends Gazellen Ambassadeur** title. During our last fiscal year we also received the **Best BEL Small Performer Award** from NYSE Euronext Brussels in recognition for performances in 2011.

In the yearly study "**Outsourcing Service Provider** Performance in the BeLux" by KPMG Equaterra RealDolmen was ranked as **best in class with the highest score of 83% on general customer satisfaction**. In that same study RealDolmen gained the number one position as **Best Supplier for Application Management** and the number two spot as best supplier for both **Infrastructure Management** and **End User & Service Management**.

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RealDolmen is also one of the leading partners for many of the large technology companies. For instance, RealDolmen is still the **sole HP Converged Infrastructure Partner in Belgium**. Moreover, RealDolmen has achieved at this moment **9 silver and 13 gold competencies at Microsoft**, making us unique in Belgium. Microsoft likewise awarded RealDolmen with the **Microsoft Western European ALM Partner Award.**

2.2 Financial review

2.2.1 Turnover

Total turnover grows by 5,9% for the full year. Year-over-year Services revenue grew by 3,4%. The strong Services revenue growth of the first three quarters has been offset by a weaker fourth quarter mainly in our banking activities in Luxemburg. Products revenue, which is more subject to timing, grew by 11,4% for the full year, notwithstanding a 3,3% decrease in the last quarter of the year.

Turnover per segment in m€	YTD Q3 2011/2012	Q4 2011/2012	FY 2011/2012	YTD Q3 2010/2011	Q4 2010/2011	FY 2010/2011	YTD Q3 % Variance	Q4 % Variance	FY % Variance
Infrastructure products	63.292	19.398	82.690	54.155	20.059	74.214	16,9%	-3,3%	11,4%
Professional Services	101.763	37.551	139.314	96.279	37.260	133.539	5,7%	0,8%	4,3%
Business Solutions	27.235	9.240	36.475	25.308	11.118	36.426	7,6%	-16,9%	0,1%
Subtotal Services & Solutions	128.998	46.791	175.789	121.587	48.378	169.965	6,1%	-3,3%	3,4%
Total Group	192.290	66.189	258.479	175.742	68.437	244.179	9,4%	-3,3%	5,9%

- **Infrastructure Products:** FY 2011/12 products revenue grew by 11,4%. This year's performance of datacentre and front office offerings confirms the company's reputation and leadership in new trends around internal cloud and mobile technology initiatives. The strong YTD third quarter revenue growth has been tempered by a fourth quarter revenue decrease of -3,3% mainly in lower margin products.

- **Professional Services:** Professional Services performed a good 4,3% full year growth. In Belgium, sales were strong while supported by increased headcount and improved rates resulting from more project business. In France, revenue reduced as of the third quarter due to the successful completion of a large project mainly staffed with subcontractors. Belgian Professional Services revenue was also strong in the fourth quarter but group revenue in that quarter grew by only a modest 0,8% solely due to the reduced French activity. Both our Application Services business and our Infrastructure Services business have performed strongly with a good intake of projects and a sound increase of managed services, confirming the traction of our single-source offering in the market.

- **Business Solutions:** Year on year Business Solutions revenue growth is flat. This is the result of the strong performance of our Belgian Enterprise Solutions business, especially in new projects, of a consolidation of our MS Dynamics business positioned for traction in the coming years and the negative impact of a decrease of our Luxemburg legacy application business in banking.

2.2.2 Operating result before non-recurring items (REBIT)

Over the year, REBIT increased with 9,8% to €13,6m. REBIT margins improved from 5,1% to 5,3%. The margins in the second year half were down compared to the same period last year mainly as a consequence of a substantial investment in hiring and training of young professionals in Professional Services, increased roadmap investments in Business Applications and a decrease of our banking activity in Luxemburg.

segment information	FY 2011/2012			H2 2011/2012			H1 2011/2012			FY 2010/2011			H2 2010/2011			H1 2010/2011		
m€	Rev.	Rebit	% margin	Rev.	Rebit	% margin	Rev.	Rebit	% margin	Rev.	Rebit	% margin	Rev.	Rebit	% margin	Rev.	Rebit	% margin
Infra Products	82,7	6,1	7,4%	38,8	3,2	8,3%	43,9	2,9	6,5%	74,2	4,2	5,6%	40,2	2,5	6,3%	34,0	1,7	4,9%
Prof Services	139,3	11,1	7,9%	72,6	6,4	8,8%	66,7	4,7	7,0%	133,5	10,0	7,5%	71,7	7,3	10,1%	61,8	2,7	4,4%
Bus Solutions	36,5	-0,9	-2,4%	18,0	-0,9	-5,2%	18,4	0,1	0,4%	36,4	0,5	1,5%	19,5	0,5	2,7%	16,9	-0,0	0,0%
Corporate		-2,7	-1,0%		-1,2	-0,9%		-1,5	-1,2%		-2,3	-1,0%		-1,0	-0,7%		-1,4	-1,2%
Group	258,5	13,6	5,3%	129,4	7,5	5,8%	129,1	6,1	4,7%	244,2	12,4	5,1%	131,4	9,4	7,1%	112,8	3,0	2,7%

Full year REBIT Margins in the **Infrastructure Products** division increased substantially to 7,4% as the result of a higher value added product mix and improved purchase conditions.

Professional Services REBIT margins are ending 0,4% higher than last year up to 7,9%. Such REBIT improvement is reflected in Belgium and France in both our Application Services and our Infrastructure Services business. This is

the result of an improved management of resources, improved pricing and a tighter management of projects during the entire year. The improved productivity in the first half year has been offset by the impact of a substantial investment in hiring of young professionals in the second half of the fiscal year. Such hiring led to increased training and bench costs in that period in a market environment with mixed investment appetite, especially during the last quarter.

The full year REBIT Margins in **Business Solutions** ended at -2,4% due to a negative second year half margin of -5,2%. This is the result of decreasing margins in our Business Applications and strongly improving margins in our Enterprise Solutions activities. In Business Applications, roadmap investments in the rewrite of applications for wholesale and enterprise asset management and the development of our hospital application based on MS Dynamics increased and continued to be taken in costs. This is the second year of a three year investment program. In Luxemburg, our banking solutions business was confronted with a substantial decrease while the second year half REBIT margin was also impacted by additional litigation costs regarding pending cases. In our Enterprise Solutions business, increased revenue combined with substantially improved productivity strongly improved margins.

Corporate Overhead remained at 1% of revenue, slightly higher than last year mostly as a result of a more limited release of provisions compared to last year.

2.2.3 Operating result (EBIT)

The full year EBIT is €13,6m, 5,3% of revenue. We saw EBIT increase by €0,6m compared to last year. This evolution is on the one hand due to the improved Revenue and REBIT margins generated this year. On the other hand, last year's EBIT was positively impacted by a bad will of €0,6m where this year no non-recurring benefits or charges have been taken into account.

2.2.4 Total Group Net Profit

The Group reported a net profit of €7,3m for the year, similar to last year. The increased EBIT was negatively impacted by a €1m increase in Financial Charges with Financial Income comparable to last year.

Financial income was €50k higher compared to last year resulting from higher cash investments.

Financial charges increased with €1m as a consequence of the slight increase of the yearly build-up of the debt portion of the convertible bond with €450k and €381k loss resulting from the bond buy back at favourable conditions. Accelerated amortization of the equity impact is taken in this fiscal year while financial benefits will be accounted for next year.

The net profit was on the other hand enhanced by a reduction in **income taxes** of €230k as relatively more profit was generated in Belgium where taxes are booked against our tax losses carried forward.

2.2.5 Bond Buy Back and Share Buy Back program

During the fiscal year RealDolmen bought back €7,4m worth of its €43,5m 2% senior unsecured convertible notes with redemption price of 118,44% (corresponding with a 5,25% per annum yield) coming to maturity in July 2012. In 2008, RealDolmen was already able to buy back €31,5m of the then €75m outstanding loan. This time, the notes, including the last 1% coupon due in July, have been bought at a purchase price of 117,44% of their face value. The purchased convertible bonds have been cancelled following which RealDolmen has €41,4m debt regarding the convertible loan notes outstanding.

On 5 October 2011, the Extraordinary General Shareholders Meeting has empowered the Board of Directors to purchase its own shares up to a maximum of 20% of its capital. After this date and during the remainder of the fiscal year 2011-2012, RealDolmen purchased a total of 203.854 of its own treasury shares and possessed 3,81% of the total number of shares issued (i.e. 5.353.156 bundled shares). Of this total, 145.389 shares were destroyed further to Belgian Company Law[1] and the related capital decrease is compensated with a capital increase through incorporation of the share premiums. This capital decrease was accounted for as per March 31, 2012, in anticipation

[1] Art 625 Belgian Company Law

of the approval of the extraordinary general shareholders meeting. The decision was approved by the extraordinary general shareholders meeting held on on 20 July 2012, in application of Belgian Company Law[2].

2.2.6 Cash flow

Total cash outflow amounted to -€4,8m.

€7,9m accounts for the operating cash flow. The operating cash flow was impacted by the payment of €1m of indemnification following an arbitration decision in Luxemburg and a higher working capital due to timing.

Cash Flow of Finance and Investment Activities amounted to -€12,7m. During the year cash flow was among others impacted by the payment of €8,7m for the bond buy back, the payment of €3,5m for the purchase of own treasury shares and compensated by an increase of €4m factoring in France.

2.2.7 Equity/net debt

Equity increased with €3,8m to €143m. This results from the generated net profit of €7,3m compensated by the impact of the acquisition of 203.854 own treasury shares under the share buyback program. For 58.465 of such shares, an unavailable reserve of €0,977m has been accounted for €2,523m worth of such shares corresponding to 145.389 shares destroyed through a capital decrease (see above). A similar amount of €2,523m out of share premium has been incorporated into capital.

The total debt position amounts to €51,1m and consists mainly of a €41,4m convertible debt at favourable terms with maturity in July 2012 as reduced following the bond buy back as described above. Cash balances, including assets held for trading and other financial assets, remain strong at €51,625m. This results in approximately zero Net Debt.

2.2.8 Prospects for FY 2012/2013

The economic environment requires us to remain careful as we experience mixed investment appetite during the last quarter of the fiscal year. Most of our Service indicators started to improve in the second half of last year and we have maintained them in the second half of this year, except for productivity as a consequence of the massive hiring effort. Headcount has also been growing with only limited impact on the past fiscal year's result. We therefore anticipate the current fiscal year's Services revenue growth to continue. Product revenue will probably be lower compared to last year. The strong products sales in last fiscal year and a lower visibility due to the nature of this business, especially in the current economic uncertainty call for caution. For the current full year 2012/2013 we still anticipate growing mildly while slightly improving margins.

We remain confident that our leading market position and the strength of our single source offering, the qualities and dedication of our people, the benefit of the strategic projects in which we have continued to invest and our financial stability, even more critical in turbulent times, will allow us to continue to gain market share.

[2] Art 620, 623 and 624 Belgian Company Law

3 We make ICT work for your business

There is a story behind every annual report, which mostly consists of figures. This is also true at RealDolmen.

Every company can explain what it does, most companies can also explain how they do it, but at RealDolmen we also know why we do it. That why is summarized perfectly in our company's mission: We make ICT work for your business, that's what it's all about. No technology for the sake of technology but an approach that leads to results.

Let's put it another way. Why do people buy a drill? Not for the drill itself, but for the hole that they want to make with that drill. RealDolmen is that drill and our mission is to make the hole. Translated to our craft, after all IT is a craft, we facilitate the business of our customers. We do this in the way that works best for them, with customized resources.

Two things are needed to succeed in this mission: competence and sincerity. We must be sincere in what we do and how we do it, otherwise a relationship based on trust is impossible. Competence is fully appreciated in such a relationship.

How are we going to realize this? On the one hand with our people, our employees, and on the other hand with our customers.

3.1 Home for employees

RealDolmen wants to be a home for its employees. That obviously implies that a certain attitude is required. A RealDolmen employee is someone that exerts clear principles when dealing with customers and colleagues every day. In short, someone with whom it is a pleasure and even a privilege to spend so much time with every day.

We have expressed these principles and vision in clear core values to which we attach a lot of importance. Collaboration, innovation, mutual respect, upholding agreements, a nose for craftsmanship and sharing a common passion. We say what we do and do what we say.

The leadership model that we employ within RealDolmen is just as important as the values. This model determines how we want to grow, evolve and motivate. Collaboration and building bridges throughout the organization, that is our approach. After all, roads without bridges fail at the first hurdle.

What type of leadership does this require? Not a controlling and dictatorial leadership. No, what we expect of our leaders is that they inspire and encourage teamwork. Social media also play an important role in this. They supply the perfect platform for collaboration and cross-fertilization.

Collaboration is not only a question of leadership. It also relies on development, sharing knowledge and knowledge management. Over the last few years we have evolved to an environment in which most, if not all, of us will continue to learn throughout our lives. More than ever, we need a perfectly functioning RealDolmen campus where the right courses and participants find each other. In our company, almost everyone takes exams regularly in order to obtain certificates. Many also follow seminars and workshops to remain informed of the latest developments.

In short, we are not aiming for boring uniformity but a unity of soul between our people, a **'single soul'.**

3.2 Simple for customers

The customers are a second pillar. What can we offer them and how do we deal with that? The answer in a nutshell is that we want to be the reference in the local market for integrated solutions throughout the entire IT lifecycle.

To be a reference, you must know what you're talking about. And in all modesty, we do know what we're talking about. As a proof: last year we received again a whole series of awards. Indeed, we were honored with the following awards: Trends ICT Gazellen and Trends Gazellen Ambassador. In addition to this, we also got the price of NYSE Euronext Brussels as Best BEL Small Performer and the annual KPMG EquaTerra study "Outsourcing Service Provider Performance in the BeLux" awarded us with the highest overall customer satisfaction score of 83%. Finally, we were also rewarded by a number of technology partners such as HP for which we remain the only "Converged Infrastructure Partner" in Belgium and Microsoft gave us the "Microsoft Western European ALM Partner Award".

Where do we want to be that reference? In the local market. We work as a group via a model of local presence to our customers and this in a wide region around Brussels, with a link to the Netherlands, France and Luxemburg. By local we also mean that we are close to our customers and understand their specific problems.

What does RealDolmen offer its customers, and what makes us unique? Our single-source story: integrated solutions based on infrastructure products around which we build professional services to support corporate solutions. No, this is not a sales talk but a simple and realistic model of what every company needs to make its business run efficiently.

RealDolmen has strong partners, products and experts and it has the ability to bring all this together in an integrated unit. Thanks to our plan-build-operate model we can cover the whole IT lifecycle. We also have the necessary knowledge of the business in order to make everything optimally relevant for the customer. We always depart from a no-nonsense pragmatism because simplicity is a virtue and makes everything easier.

As Albert Einstein said: 'Everything should be made as simple as possible, but not simpler'.

A single-source company with a single soul summarizes all of the above. Customers who chose RealDolmen get the guarantee that things are performed according to specifications, on time, within budget and without errors. That is our commitment, every day. Why? We make ICT work for your business because in the end, it is all about your business.

4 Corporate Governance Statement

4.1 Introduction

The Board of Directors has approved the Corporate Governance Charter ("the Charter") in 2005 based on the original Belgian Corporate Governance Code (2004). The Belgian Corporate Governance Code is available on: www.corporategovernancecommittee.be.

Since the publication of the Belgian Corporate Governance Code 2009, NV RealDolmen has adopted this Code 2009 as current reference code for the company. The Charter can be consulted on the company website: http://www.realdolmen.com/static/files/About%20RealDolmen/corporate_governance_code.pdf

This statement of corporate governance is a chapter of the annual report with the information required in the articles 96, §2 and 119 of the Belgian Company Code. As provided by Code 2009 RealDolmen explains in this chapter why – possibly – there are deviations from certain elements of the Code 2009, according to the "*comply or explain*" principle.

4.2 Board of Directors

4.2.1 Composition

The Board of Directors consists of eight members, of which four are nominated by the main shareholders. All directors are non-executive, apart from the managing director who also holds the title of Chief Executive Officer. Three directors are independent based on criteria of article 526ter of the Company Code and of provision 2.3 of the Belgian Corporate Governance Code. The chairman of the Board of Directors is an independent director and that function is therefore not cumulated by the managing director.

Name	Start mandate	End mandate	Main function	Attendance
Chairman				
Michel Akkermans, permanent representative of NV Pamica	2010	2014	C.E.O. Clear2Pay	90%
Managing Director				
Bruno Segers, permanent representative of BVBA All Together	2010	2014	C.E.O. RealDolmen	100%
Directors nominated by main shareholders				
Jef Colruyt	2010	2014	Chairman Colruyt Group	60%
Wim Colruyt	2010	2014	Director Colruyt Group	90%
Gaëtan Hannecart	2010	2014	C.E.O. Matexi Group	70%
Dimitri Duffeleer, permanent representative of NV At Infinitum	2010	2014	Managing Director Quaeroq bvba	100%
Independent directors				
Filip Roodhooft, permanent representative of BVBA DR Associates	2010	2014	Professor K.U.L.	100%
Thierry Janssen, permanent representative of BVBA Temad	2010	2014	Managing Director Temad bvba	80%

Michel Akkermans (permanent representative of Pamica NV) is civil engineer in electronics and computer sciences with an economics and finance degree of the University Leuven. He has more than twenty years' experience in the IT sector, both at national and international level. He is the founder and managing director of the NV Clear2Pay, a company that develops solutions for electronic payments. Thanks to its merger and acquisition policy Clear2Pay now works up to China and Australia. Baron

He has founded FICS in 1989, a market leader in software for online banking and mandatory financial reporting. In 1999 he merged FICS, together with Edify and Vertical One, with Security First Technologies, to create the internet banking market leader S1 Corporation (Nasdaq: SONE).

Besides Clear2Pay Michel Akkermans is also director at the "privak" (private equity closed-end fund) Quest for Growth, at ICT service provider Approach, at data mining specialist Enqio and at the Agfa-Gevaert Group. He advises venture capital and private equity funds like GIMV ICT, Big Bang Ventures and Hummingbird.

Bruno Segers (permanent representative of All Together BVBA) joined RealDolmen in July 2007. He is the former Country General Manager of Microsoft BeLux, where he made the company grow from €150m to €300m in six years. He is active in the Belgian IT-sector and in that capacity maintains his mandates in the Boards of i-Venture, City Live and IBBT, a research institute of the Flemish government.

Baron Jef Colruyt, chairman of the Colruyt Group, has been at the helm of the Colruyt group since 1994. He has more than relevant experience in conducting a successful HR policy in various listed or unlisted companies.

Wim Colruyt has been active in the ICT sector for 25 years, including 10 years at Dolmen Computer Applications in sales, software development and as head of department. After that, he was responsible for the ICT of Colruyt France and the Foodservice sector. He has a good experience in integrating acquired companies in a multicultural context

and implementing ERP systems. He holds various mandates within the Colruyt holding. His ICT-background and knowledge of the history and fundamentals of the business are important assets for the Board of Directors.

Gaëtan Hannecart is a civil engineer in electro mechanics with a MBA of Harvard University and is at the helm of the Matexi group, which is controlled by the family Vande Vyvere. Matexi is a diversified building company and real estate promoter mainly active in real estate development and residential building as investment.

Dimitri Duffeleer (permanent representative of At Infinitum NV) is a civil engineer-architect and manages the bvba Quaeroq, an investment vehicle of the family Vande Vyvere, which so far manages some 25 participations in small and medium-sized listed companies in various sectors and various countries of the European Union.

Filip Roodhooft (permanent representative of DR Associates BVBA) is a doctor in economic sciences and professor at the K.U.L.

Thierry Janssen (permanent representative of Temad BVBA) is an engineer and has more than 20 years' experience in general management functions in IT service providing companies in various countries. He is active in the context of the Just In Time Management partnership (www.jitm.be) for more than 8 years.

4.2.2 Activity report

The Board of Directors has met 10 times in the past year. The Board of Directors has supervised the activities of the group by revising the results based on the reporting by the managing director. The annual and half year results and the quarterly results were approved and published. In addition, the Board of Directors has dealt with the following subjects: periodical report by the audit committee and the appointment and remuneration committee, the annual meeting in September 2011, the status of business development (mergers, acquisitions and divestitures), the share buy-back program, operational excellence and strategy for the future ("Vision 2015") and the quarterly forecasts.

4.2.3 Behaviour rules & conflicts of interest

Transactions with associated companies

Article 524 of the Company Code provides a special procedure that applies to intra group transactions or transactions with affiliated companies. The procedure applies to decisions and transactions between RealDolmen and associated companies of RealDolmen which are no subsidiary companies. It also applies to decisions or transactions between each subsidiary of the company and companies affiliated with subsidiaries of RealDolmen which are no subsidiaries of RealDolmen themselves. Before such a decision or transaction is made or implemented the Board of Directors must appoint a special committee consisting of three independent directors, assisted by one or several independent experts. That committee must assess the pros and cons of the decision or the transaction for the company. It must express the financial consequences and define whether the decision or transaction represents a disadvantage to the company which is obviously illegal in view of company policies. If the committee decides that the decision or transaction is not manifestly illegal, but is of the opinion that it will damage the company, it must explain which advantages were considered to compensate the disadvantages. All these elements are explained in an advice by the committee. The Board of Directors then takes a decision based on the committee's advice. Each deviation from the committee's advice must be justified. Directors on whose behalf a conflict of interest has arisen, are not entitled to participate in the deliberation and the vote (as indicated in the previous paragraph). The advice of the committee and the decision of the Board of Directors must be communicated to the commissioner, who must write a separate opinion. The decision of the committee, an extract of the minutes of the Board of Directors and the opinion of the commissioner must be added to the annual report of the Board of Directors.

This procedure does not apply to decisions or transactions under normal circumstances at ordinary market conditions and transactions or decisions with a value of less than 1% of the consolidated net assets of the company.

During fiscal year 2011-2012 there were no transactions with associated companies.

Conflicts of interests

Each director and executive manager is encouraged to organize his personal and business matters in such a way that direct and indirect conflicts of interests with RealDolmen are avoided. Without prejudice to the application of legal

procedures, the Corporate Governance Charter of the company contains specific procedures to offer a solution to potential conflicts. Summarized, a director or an executive manager must inform the Board of Directors before his appointment of his “transactions with associated parties” with the company or its subsidiaries. During his mandate he must inform the chairman of the Board of Directors of all transactions with associated parties with the company or its subsidiaries he wishes to undertake, and such transactions may only be carried out after approval by the Board of Directors.

Article 523 of the Company Code provides a specific procedure within the Board of Directors in case of a possible conflict of interest for one or several directors when taking one or several decisions or when concluding transactions by the Board of Directors. In case of a conflict of interest the director concerned must inform his co-directors of the conflict before the Board of Directors deliberates on the matter and makes a decision on the matter concerned. Furthermore the director involved cannot participate in the deliberation and the vote by the Board of Directors in matters that could generate a possible conflict of interests.

Article 524ter of the Company Code provides a similar procedure in case of conflict of interest for members of the executive committee. In case of such a conflict only the Board of Directors can make the decision which led to the said conflict of interest. The Executive Management team is not considered an executive committee in the sense of article 524bis of the Company Code.

During fiscal year 2011-2012 no potential conflicts of interest were reported to the Board of Directors.

4.2.4 Rules of conduct financial transactions

The Board of Directors has published its policy for the prevention of market abuse in the Charter (chapter 4).

4.2.5 Evaluations

The Board of Directors evaluates the good functioning of the governing body at the appropriate times according to chapter 1 of the Charter. The Board of Directors started a self-assessment exercise during the fiscal year 2011-2012, the outcome of which will be analysed and debated in the current fiscal year. This self-evaluation comprised the Audit Committee and Nomination & Remuneration Committee.

4.3 Audit comittee

4.3.1 Composition

The Audit Committee consists of three members who, conform to article 526bis §2 of the Company Code, are all non-executive director and of whom the majority is independent. All members have the necessary experience which makes them suitable for the assignments of the audit committee. The managing director and the Chief Financial Officer are not members of the Committee but are invited to the meetings.

Filip Roodhooft (permanent representative of DR Associates BVBA) is the chairman of the Committee due to his academic qualifications and mandates at the K.U.L. and Vlerick Leuven Gent Management School in accountancy, as well as being chairman of the appointment commission of the Belgian Institute of Accountants and Tax consultants.

Thierry Janssen (permanent representative of Temad BVBA) brings experience as manager with budget responsibility in a series of ICT companies for more than twenty years thanks to which he combines vision with insight in operational risks.

Dimitri Duffeleer (permanent representative of At Infinitum NV) is a civil engineer-architect and has followed several post-graduate business economy and finance courses. He is co-founder and managing director of the investment fund Quaeroq and has more than 11 years' experience in the financial analysis of listed companies. He is part of several boards.

4.3.2 Activity report

The audit committee advises the Board of Directors on financial, legal and regulatory supervision. The Committee has specific tasks, including financial reporting, internal control and risk management of the Company, as well as the control and reporting process relating to the Company and its subsidiaries. The Committee regularly reports to the Board of Directors on the execution of its duties and particularly points out matters which require further action or improvement and makes recommendations on possible optimization. The reference provisions of the Audit committee are further described in the Charter.

The Committee met five times in the past fiscal year.

Audit comittee	Attendance
Filip Roodhooft	100%
Thierry Janssen	100%
Dimitri Duffeleer	100%

Subjects further examined were: annual, half yearly and quarterly results, the budget process, the annual report, the internal and external audit, the risk management and internal control, the integrity of the financial accounts. Furthermore, the Committee discussed priority themes such as the cost of capital at company and division levels, optimization of reporting by the Committee to the Board of Directors, follow-up of risks identified during the risk assessment workshop, pricing and profitability of major projects. It organized private sessions with the Commissioners, the Chief Financial Officer and the Internal Auditor.

4.4 Nomination and Remuneration Committee

4.4.1 Composition

The Nomination and Remuneration Committee consists of three members, all of them non-executive directors. Two members are also independent directors and therefore the Committee is composed according to article 526quater §2 of the Company Code which requires a majority of independent directors. All members have the necessary experience which makes them suitable for the tasks of the Appointment and Remuneration Committee.

The Managing Director and Chief People Officer are not members of the committee but are invited to the meetings.

Michel Akkermans is chairman of the Committee on the basis of his experience in leading international teams and his specific experience as member of the appointment and remuneration committee of Agfa-Gevaert, a large listed Belgian company.

Wim Colruyt has more than twenty years of relevant experience in executing a successful HR policy in parts of the Colruyt Group with listed and unlisted companies.

Thierry Janssen has managed several IT companies of large volume and complexity; he contributes his practical vision and knowledge of the IT market to the committee.

4.4.2 Activity report

The Nomination and Remuneration Committee is a permanent committee of the Board of Directors, which issues recommendations to the Board regarding the appointment of directors, to ensure that the appointment and selection process is organized in an adequate and professional manner. It advises on the allocation of functions within the Board of Directors. The Committee discusses the remuneration for the directors which is submitted to the General Meeting for approval, as well as the appointment, dismissal, remuneration and possible bonuses for the Executive Management, and is involved in the general remuneration policy of the group. The reference provisions of the Appointment and Remuneration committee are detailed in the Charter.

The Committee met three times in the past fiscal year.

Appointment and Remuneration committee	Attendance
Michel Akkermans	100%
Wim Colruyt	100%
Thierry Janssen	100%

Subjects examined in the past year were: the objectives and variable fees of the executive management, the composition of the Board of Directors, independent chairman of the Board of Directors, an external study on executive compensation and discussions regarding a new variable compensation plan spanning three years.

4.5 Executive Management

4.5.1 Composition

The RealDolmen Management Team consists of the Managing Director – CEO and five of his direct staff. The daily management of the Company is entrusted to the Managing Director – CEO and he therefore represents the Company "without prejudice to the general representation competence of the Board of Directors" as provided by the statutes. He is responsible for preparing proposals for the Board of Directors relating to strategy, planning, finances, projects, personnel policy and budget and any other matter that needs to be dealt with at the level of the Board of Directors. He is also responsible for the implementation of the approved proposals. The Managing Director – CEO is the head of and monitors the various departments of the Company and reports to the Board of Directors about their activities. He is assisted in the execution of his function by the Executive Management, which directly reports to him. The Board of Directors decides on appointments of members of the Executive Management on advice of the Appointment and Remuneration committee. The Executive Management is not an "Executive Committee" in the sense of article 524bis of the Belgian Company Code.

The organization of the Executive Management reflects the operational structure of the Company. The following persons are appointed as members of the Executive Management:

Name	Function
Marc De Keersmaecker	Chief Operational Officer
Paul De Schrijver	Chief Finance Officer
Dirk Debraekeleer	Chief Commercial Officer
Sabine Fannes	Chief People Officer
Thierry de Vries	Secretary-General

4.6 Remuneration report

The remuneration report was introduced by the Law of 6 April 2010 for the strengthening of corporate governance in listed companies.

4.6.1 Remuneration policy

In the fiscal year 2011-2012 RealDolmen did not apply a new procedure to (i) develop a remuneration policy for the directors, the members of the board committee, the other leaders and the persons in charge of the daily management of the company, and (ii) define the remuneration of individual directors, members of the board committee, other leaders and persons in charge of the daily management of the company.

The applicable remuneration policy is unchanged and strives to market conformity both in the composition of the elements of the remuneration and the amounts, which was at several occasions reviewed by an reputed consultant on the basis of comparable listed companies.

The law of 6 April 2010 has adjusted the composition and assignment of the Nomination and Remuneration Committee. The company started to investigate the effects of the new rules and hired an external consultant to help defining a future remuneration policy. The Nomination and Remuneration Committee continues to explore with the CEO an adjustment of this policy vis-à-vis the group's strategy and appropriate objectives for variable remuneration of the executive management.

4.6.2 Remuneration directors

In the fiscal year addressed in the annual report, the following remuneration policy was used in relation to the directors, the members of the board committee, the other leaders and the persons in charge of the daily management of the company:

a) the principles on which the remuneration was based, with indication of the relation between remuneration and performances
The directors only receive a fixed remuneration without relation to the results of the company but evaluated as a lump sum depending on the efforts made for their mandate and the special responsibility typical for their tasks in the Board of Directors.

b) the relative importance of the various components of the remuneration
Not applicable, see above.

c) the characteristics of performance related bonuses in shares, options or other rights to acquire shares
Not applicable, see above.

d) information on the remuneration policy for the next two fiscal years
The evaluation is ongoing.

e) if the wages policy is considerably adjusted compared to the reported fiscal year this must be explicitly expressed.
Not applicable, see above.

On an individual basis the following wages amounts and other benefits are allocated to the non-executive directors by the company or a company belonging to the consolidation circle of the company.

Amounts without VAT	Effectively paid FY 2010-2011	FYI: due FY 2011-2012	Effectively paid FY 2011-2012	Expenses FY 2010-2011	Expenses FY 2011-2012	Still due FY 2011-2012
Michel Akkermans, permanent representative of NV Pamica	€58.333	€70.000	€52.500			€17.500
Bruno Segers, permanent representative of BVBA All Together	€100.000	€300.000	€225.000	€7.075	€16.576	€80.156
Jef Colruyt	€22.400	€20.000	€15.000			€5.000
Wim Colruyt	€22.917	€27.500	€20.625			€6.875
Gaëtan Hannecart	€16.667	€20.000	€10.000			€10.000
Dimitri Duffeleer, permanent representative of NV At Infinitum	€22.917	€27.500	€20.625			€6.875
Filip Roodhooft, permanent representative of BVBA DR Associates	€36.100	€35.000	€26.250			€8.750
Thierry Janssen, permanent representative of BVBA Temad	€37.300	€35.000	€26.250			€8.750

(f) if certain members of the board committee, certain other leaders or other persons in charge of the daily management are also members of the Board of Directors they receive information on the amount of the fee they receive in that capacity:
Not applicable see below.

4.6.3 Remuneration CEO

The Managing Director – CEO is the only Executive Director within the Board of Directors. The management contract agreed with the current Managing Director provides a fixed annual remuneration of €300,000, payable in 12 equal installments. In addition a variable fee of €195,000 is provided, depending on achieving certain objectives. The fixed fee includes all expenses, with the exception of expenses related to telephony, internet, meal and representation costs, transport and accommodation during business travel, refunded on presentation of proof of payment. Each party has the right at all times to terminate the agreement subject to a prior notice period of twelve (12) months. The service providing agreement provides strict non-competitive and confidentiality commitments.

Remuneration and other direct or indirect advantages allocated to the main representative of the executive directors, to the chairman of the board of directors, to the main representative of the daily management that were allocated by the company or a company belonging to the consolidation circle of this company.

This information relates to payments made to Bruno Segers, permanent representative of All Together BVBA, Managing Director - Chief Executive Officer and is provided with a division between:

	Effectively paid FY 2010-2011	Due FY 2011-2012	Effectively paid FY 2011-2012
a) the basic remuneration;	€100.000	€300.000	€225.000
b) the variable remuneration: all additional fees linked to performance criteria with indication of the form this variable remuneration was paid in;	€143.520	target €195.000	€68.737
c) pension: the amounts paid in the fiscal year processed by the annual report or the costs of the services provided in the fiscal year processed by the annual report, according to the type of pension scheme with mention of the applicable pension scheme;	€0	€0	
d) the other components of the remuneration such as the costs or value of insurances and other benefits in kind, with clarification of particularities of the main components.	€7.075	€16.576	
sub-totals:	**€250.595**	**€316.576**	**€293.737**

If this remuneration is considerably adjusted compared with the fiscal year addressed in the annual report, this must be specifically expressed	There have been no adjustments in the previous fiscal year

4.6.4 Remuneration executive management

Principles

The executive management has a layered remuneration system:

- Fixed remuneration
- Group insurance (type fixed contribution, pension structure, cover death risk, disability cover) and hospitalisation insurance;
- Company car
- Meal checks or meal expenses, fixed expenses and, for some, a home office allowance
- Variable wages, in particular a target bonus which includes a percentage of the fixed remuneration, which is in principle a cash bonus, depending on realising financial results budgeted by the group (turnover and EBIT) and realising personal objectives that follow the strategic actions set in the context of a long term strategy
- Share options (Warranty plan 2008, with exercise price of €0,26 – see below IFRS Note 32)

If executive directors, the members of the management committee, the other leaders or the persons in charge of the daily management qualify for fees based on the results of the company or a company belonging to the consolidation circle of this company, those fees depend on the results of the business unit or on the performance of the person involved , the criteria for the evaluation of the performances compared to the objectives, the definition of the evaluation period and the description of the methods applied to check whether they meet these performance criteria. These data need to be indicated in such a way that they do not provide confidential information on the strategy of the company.

The General Shareholders Meeting of 14 September 2011 granted an exemption to the provisions of the Law of 6 April 2010 regarding variable pay (art.520 ter Company Law). Therefore, the executive management received a variable fee based only on the results of the RealDolmen group in the past fiscal year 2011-2012. The bonus depends on prior defined and objectively measurable criteria over a fiscal year, in particular the consolidated result regarding turnover, EBIT and net result. Based on audited results the Appointment and Remuneration committee decides on the bonuses proposed by the CEO. and the Board of Directors decides on the payment. In 2011-2012 there was no "claw back" of the bonus in favour of the company. The extraordinary general shareholders meeting held on July 20, 2012 extended the exemption for the financial year 2012-2013 on the variable remunerations as referred to in Article 520ter of the Belgian Company Code.

Relative importance of components

Overall, the amount of the remuneration and other advantages which directly or indirectly are given to the other executive directors, members of the board committee, other leaders and persons in charge of the daily management were supplied by the company or a company belonging to the consolidation circle of this company. This information must be supplied with a division between:

a) the basic remuneration

	Totals	Employer's charges
involved: Marc De Keersmaecker, Dirk Debraekeleer, Paul De Schrijver, Sabine Fannes and Thierry de Vries	5	
total amount including employer's charges: EC=Employer's charges	**€1.366.851,72**	

b) the variable remuneration: all additional fees linked to performance criteria with indication of the manner this variable remuneration was paid in

involved: see above	5	
remuneration bonus	€0	
target bonus	€455.873,02	excl. PL
holiday bonus on variable remuneration	€71.420,11	excl. PL
total amount including employer's charges:	**€699.582,74**	**incl. PL**

c) pension: the amounts paid in the fiscal year processed by the annual report or the costs of the services provided in the fiscal year processed by the annual report, according to the type of pension scheme with mention of the applicable pension scheme

involved: see above	5	
employer's contribution group insurance basis	€12.518,37	excl. PL
employer's contribution group insurance legacy	€44/maand	excl. PL
employee's contribution group insurance	€0/maand	excl. PL
employer's contribution KVGI	€371/maand	excl. PL
employer's contribution hospitalisation insurance	€47/maand	excl. PL
solidarity fund	€3/maand	excl. PL
annual basis	**€158.144**	**Incl. PL**

d) the other components of the remuneration such as the costs or value of insurances and other benefits in kind, with clarification of particularities of the main components

involved, see above but not all in the same way, for example meal expenses or meal vouchers	5	
meal expenses	€630,72	n.v.t.
fixed expenses	€1.400,00	n.v.t.
meal vouchers	€160,56	n.v.t.
home office allowance	€700,00	n.v.t.
on annual basis	**€30.613,44**	**n.v.t.**

e) if this remuneration is considerably adjusted compared with the fiscal year processed by the annual report it needs to be specifically expressed:
There have been no adjustments in the previous fiscal year.

Remuneration policy for the next two fiscal years
The Board of Directors continues to examine the remuneration policy in order to adapt it better to the new strategic vision and operational improvements under review and to include the implications of the law of 6 April 2010 to reinforce the corporate governance in listed companies.

Characteristics share options
For the executive directors, the members of the board committee, the other leaders and persons in charge of the daily management, on individual basis, the number and main characteristics of the shares, the share options or all other rights to acquire shares, allocated, applied or expired in the fiscal year processed in the annual report.

No new share options were issued to and no warrants were executed by beneficiary members of the Executive Management in the fiscal year. For more details of the Warrant scheme 2008 we refer to IFRS Note 32 hereafter.

Provisions on leaving compensations
For the executive directors, the members of the board committee, the other leaders and persons in charge of daily management, on individual basis, the provisions on leaving compensations.

During the fiscal year 2011-2012 all members of the Executive Management, except the Managing Director (All Together BVBA) were employed on the basis of an employment contract. These employment contracts are usually for an unlimited duration, with a trial period. The employment agreements can be terminated at all times by the company with observation of a legal notice period which in the case of CFO Paul De Schrijver was contractually defined at 12 months at the least. The employment contracts contain strict non-competition provisions for 12 months, as well as confidentiality provisions and IP transfer provisions. As to the leaving compensation of the managing director, the situation remained as indicated in previous annual reports: each party has the right to terminate the agreement at any time with a prior notice period of twelve (12) months. The consultancy contract provides strict non-competition and confidentiality obligations.

Leaving compensation
In case of departure of the executive directors, the members of the board committee, the other leaders or the persons in charge of daily management, the justification and decision by the Board of Directors, on proposal of the remuneration committee, decide if those involved are eligible for the leaving compensation, and the calculation base thereof.

Not applicable.

Recovery right
For the executive directors, the members of the board committee, the other leaders and the persons in charge of daily management, the extent to which a recovery right of the variable remuneration allocated on the basis of incorrect financial data is provided.

For the fiscal year 2011-2012 no recovery right in the sense of the law was provided.

4.7 External and internal audit

4.7.1 External audit

The Annual General Shareholders meeting of 8 September 2010 re-appointed Deloitte Bedrijfsrevisoren CVBA, a civil company in the form of a cooperative company with limited liability under Belgian law, with registered office at 1831 Diegem, Berkenlaan 8b as Statutory Auditor of the Company for a fourth period of three years, which started on 1 April 2010 and will terminate after the general meeting which decides on the approval of the annual accounts by 31 March 2013.

For the execution of its mandate Deloitte Bedrijfsrevisoren was represented by William Blomme, included in the register of authorised auditors of the Instituut van Bedrijfsrevisoren under reference IBR A01724.

The last fiscal year the auditor received the following amounts:

Statutory assignment	€141.581
Extraordinary activities or assignments	€14.322

The last fiscal year parties associated to the auditor received the following amounts:

Audit of foreign branches	€67.000
Tax advice	€12.747

4.7.2 Internal audit

The internal audit is carried out by the internal auditor who reports quarterly to the Audit Committee and reports to the secretary of the Board of Directors. The internal auditor does his work according to the principles defined in the Charter, more specifically the following directives (Annex 3 of the Charter of the Audit Committee):

(a) Retrieve documents, reports and other relevant information on the internal audit process, the internal controls, the risk management systems and the systems for guaranteed compliance

(b) Assess together with the person in charge of the internal auditor(s) and the managers in charge of the internal controls their responsibility for problems, defects or errors in the internal audit and the internal controls;

(c) Discuss with the Executive Management responsible for the risk management systems in order to obtain additional information and clarification, and record their responsibility for problems, defects or errors in the risk management systems;

(d) Discuss with the compliance officer (i) the Rules for prevention of market abuse, (ii) the flaws in the Rules, (iii) possible violations of the Rules;

(e) Obtain reports from the Board, the head of the Internal Audit function of the Company and the external auditor confirming that the Company and its Subsidiaries comply with the applicable legislation and regulations and with the Company's terms of reference;

(f) Discuss with the Board and the external auditor any correspondence with legislative and government institutions as well as published reports mentioning significant matters relating to the financial notices of the Company or its accounting policy;

(g) Discuss with the relevant members of the legal department of the Company any legal matters which may have a significant influence on the financial notices of the Company with regard to compliance with legislation and regulations;

(h) Discuss with the Board the results of the investigation of the effectiveness of the internal audit function, of the internal controls, of the risk management systems and of the systems for guaranteed compliance, and suggest improvements to the Board;

(i) Provide advice to the Board about the policy and procedures of the Company for compliance with the applicable legislation and regulations.

(j) It should be noted that any specific responsible manager can request an audit, and if done so voluntarily then the report of said audit shall only be sent to the requesting manager.

If an unannounced audit takes place, the audit report shall be sent to the audited manager/department, the supervising manager and the responsible manager of the internal audit department.

The Audit Committee should meet once a year in a closed meeting with the internal auditor, the external auditor and the CFO alone without presence of other members of the management or the executive director.

4.7.3 Main characteristics of internal audit and management systems

General

The Board of Directors and the management of the company are responsible for the implementation and maintenance of a coherent whole of internal audits. Internal control in a wide sense is a process directed to getting certainty relating to achieving objectives regarding (a) the effectiveness and efficiency of the business processes, (b) the reliability of the financial reporting and (c) the compliance with applicable laws and regulations.

The risk management internal audit systems of RealDolmen are set up in compliance with the relevant legal provisions, the requirements imposed by the Belgian Corporate Governance Code and the principles of the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"), all this in consideration of the extent and the specific needs of the Group.

The Group has appointed - as indicated earlier – a seasoned internal auditor who checks the good functioning of the internal control framework and expresses recommendations for further improvement. Last fiscal year, he was also put in charge of a special project that will continue during the current fiscal year 2012-2013 and relates to the New Way of Working, in particular the assessment of the Company's real estate in view of a possible relocation of part or all of its resources.

Control environment

RealDolmen applies a Corporate Governance Charter designed to have directors, management and staff comply with common ethical norms in the execution of their tasks. The management approach is directed towards taking balanced decisions efficiently and quickly at the level of operational, commercial, financial or other types of risks. The group is sub-divided in departments the employees of which have function descriptions. Delegations of competences are defined.

Business processes are categorised based on the APQC- model in the 'Audit Universe' and are systematically documented. The process owners monitor the effectiveness and efficiency of the process and integrate the necessary control and measuring points to monitor the correct functioning and the output of the process. Business processes are regularly assessed and are accessible to all employees via the RealDolmen intranet.

The control environment relating to the financial reporting is built around centrally implemented teams regarding accounting, checking and reporting work. The Group Controller and the Group Reporting Manager report to the CFO and use professional accounting, reporting and consolidation software with integrated controls and validation. Complete internal reports are created daily which are revised by and discussed with the Executive Management.

In addition, the internal auditor carries out a risk-based audit plan in which the controls in the key processes are followed up and evaluated. The findings and recommendations are reported to the responsible management and the process responsible and are discussed based on summaries at the Audit committee.

Risk management

Managers throughout the whole company and at all levels of the organisation are responsible for risk management. These persons are expected to be aware of the risks and to understand them when they develop strategies, define objectives and make decisions. They are supported through structured internal consultation and by central services like Legal, among others.

The risk analysis and functioning of the internal audit are currently adapted based on the audit reports of the internal and external auditor. In the past fiscal year the findings of an overall risk analysis performed by Deloitte Bedrijfsrevisoren were followed-up and reported back to the Audit committee. In turn, the Committee has kept the Board of Directors informed.

Control activities

The objectives on strategic, operational, financial, fiscal and legal area are defined in a strategic plan and the yearly budget, that is approved by the Board of Directors. The risks that endanger these objectives are described and – together with the realization of the objectives – monitored and reported at management levels throughout the organization, and reported to the RealDolmen Management Team, the Audit Committee and the Board.

Policies and process descriptions realizing a uniform, standardized and controlled way of working, are in place for the most important underlying processes and are subject to a periodically assessment by the process owners, in consultation with the involved managers in charge. Internal audit evaluates these processes on a rotating basis in function of the risk analysis made.

The proper application of the accountancy standards as well as the accuracy, consistency and completeness of the reporting is monitored on an ongoing basis by the Group Controller and the Group Reporting Manager. Periodical audits are also carried out by the internal auditor. The latter also consults the external auditor to possibly further inspect specific points of attention.

Information and communication

RealDolmen has implemented an ERP-system and supporting IT-applications to a) support the efficient processing of the transactions and b) provide management with reliable financial and operational information to manage, control and direct activities.

The necessary processes, budgets and capacity are provided to maintain the performance, availability and integrity of the IT-systems.

Providing periodical financial information to the market is streamlined by an appropriate allocation of responsibilities, coordination between the various departments involved and a detailed financial calendar. In the first and third quarter a trading update is released while all relevant financial information is published every six months and after the end of the fiscal year.

Follow-up and control

The internal control is permanently performed by the management. The performance of the operational activities is measured and compared with budgets, long term plans and key performance indicators.

The follow-up procedures consist of a combination of management supervision and independent objective assessments of those activities by internal audit, external audit or other third parties. Relevant findings of internal audit and/or the commissioner relating to the process performances, directives and procedures, division of responsibilities and the application of the accounting standards are reported to the Audit committee.

The quarterly figures and the annual and six monthly reporting are extensively explained by the financial management in the Audit committee and thereafter in the Board of Directors. The revision by the Audit Committee includes for example periodical information to the market, the approval of related press releases, the consistent application of accountancy rules and the impact of possible new IFRS accountancy standards.

4.8 Shareholders

4.8.1 Shareholders agreements and control

The Company is not aware of shareholders agreements which could limit voting or transfer rights.

As appears from the summary of reports the Company received from its shareholders (see below), RealDolmen is currently indirectly controlled by two shareholders groups that together hold almost 26% of the capital issued by the Company: the family Colruyt and the family Vande Vyvere. The Company is not aware of agreements between these parties on the implementation of joint control over the Company.

If a company has one or more controlling shareholders the Belgian Corporate Governance Code provides that the Board of Directors must strive for the controlling shareholders to use their position in a balanced way and to respect the rights and interests of the minority shareholders. Considerable restrictions or burdens a parent company has imposed, or of which it has demand they be maintained must be published in compliance with article 524 in fine of the Belgian Company Code.

4.8.2 Transactions with associated companies

Article 524 of the Company Code provides a special procedure which applies to intragroup transactions or transactions with associated companies. The procedure applies to decisions and transactions between RealDolmen and associated companies of RealDolmen which are not subsidiaries of the companies. It also applies to decisions or transactions between each subsidiary of the company and companies connected to subsidiaries of RealDolmen which are not subsidiaries of RealDolmen themselves. Before such a decision or a transaction is taken or executed, the Board of Directors must set up a special committee consisting of three independent directors, assisted by one or several independent experts. This committee must weigh up the advantages and disadvantages of the decision or transaction for the company. It must explain the financial consequences and determine whether the decision or transaction is a disadvantage for the company or not which is manifestly illegal in view of the company policy. When the committee decides that the decision or transaction is not manifestly illegal, but is of the opinion that it will damage the company, it must explain which advantages were considered to compensate the disadvantages. All these elements are explained in an advice by the committee. The Board of Directors then makes a decision, considering the advice of the committee. Each deviation from the committee's advice must be supported. Directors on whose behalf a conflict of interests has arisen are not entitled to take part in the deliberation and the vote (as indicated in the previous paragraph). The advice of the committee and decision of the Board of Directors must be reported to the Commissaire, who must write a separate opinion. The decision of the committee, an extract of the minutes of the Board of Directors and the opinion of the external auditor must be added to the annual report of the Board of Directors.

This procedure does not apply to decisions or transactions in the usual way at usual market conditions, and to transactions or decisions with a value of less than 1% of the consolidated net assets of the company.

In the fiscal year discussed here there were no transactions with associated companies that require the application of article 524 of the Company Code.

4.8.3 Conflicts of interest

Each director and executive manager is encouraged to organise his personal and business-related affairs in such a way that direct and indirect conflicts of interests with RealDolmen are avoided. Without prejudice to the application of legal procedures the Corporate Governance Charter of the company contains specific procedures to provide a solution to potential conflicts. To put it briefly, a director or executive manager must inform the Board of Directors before his appointment of his “transactions with associated parties” with the company or its subsidiary. During his mandate he must inform the chairman of the Board of Directors of all transactions with associated parties with the company or its subsidiaries he wishes to undertake, and such transactions can only be achieved with the approval of the Board of Directors.

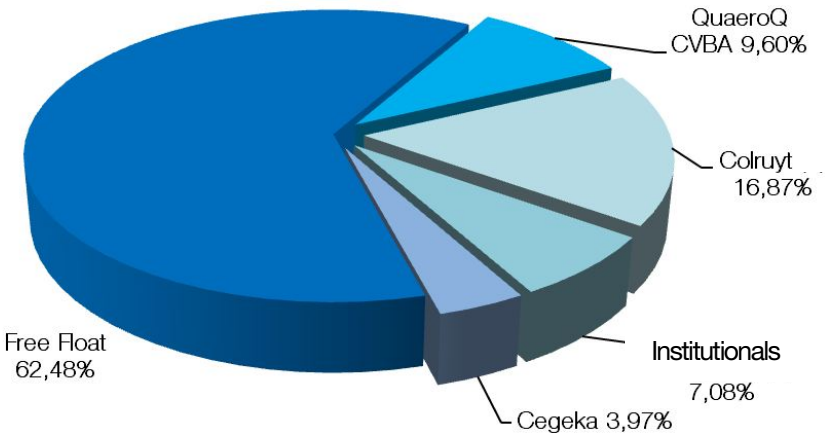
Article 523 of the Company Code provides a specific procedure within the Board of Directors in case of a possible conflict of interests for one or several directors when taking one or several decisions or concluding transactions by the Board of Directors. In case of a conflict of interests the director concerned must inform his co-directors of the conflict before the Board of Directors deliberates on the matter and makes a decision on the matter. Furthermore the director

concerned cannot participate in the deliberations and the vote by the Board of Directors in matters that could cause a possible conflict of interests.

Article 524ter of the Company Code provides a similar procedure in case of conflict of interests for members of the executive committee. If such a conflict arises only the Board of Directors can make the decision that led to the said conflict of interests. The Executive Management team is not considered an executive committee in the sense of article 524bis of the Company Code.

During the fiscal year 2011-2012 no potential conflicts of interest were reported to the Board of Directors.

4.8.4 Diagram shareholders structure



4.8.5 Reference shareholders

The company is not aware of cross participations between the reference shareholders who are represented by the following companies:

DIM NV
HIM NV
HIM TWEE NV
ANIMA NV
HERBECO NV
FARIK NV
ETN FR. COLRUYT NV
Together referred to as “Colruyt” in the diagram above

QUAEROQ CVBA
BRUFIN NV
Together referred to as “QuaeroQ” in the diagram above

4.9 General meetings

4.9.1 Last general meeting

In the previous fiscal year the general meeting of shareholders assembled on 14 September and 5 October 2011.

The following decisions were made:

- Approval of the single and consolidated annual accounts on the fiscal year ended on 31 March 2011 and allocation of the result;
- Discharge to the directors and the commissioner;
- Corporate governance:
  - Approval of the remuneration report
  - Approval of the remunerations of the Directors for the financial year 2011-2012:
    - A fixed one-off remuneration for the Directors of €20.000 per year and for the Chairman of the Board of €70.000 per year;
    - A fixed one-off fee for the members of the Audit committee of €7.500 and for the chairman of the Audit committee of €15.000, and for the members of the Remuneration and Appointment Committee of €7.500 and for the chairman of the Remuneration and Appointment committee of €15.000 (unless this position is filled by the Chairman of the Board);
  - Approval of the proposal of non-application of the provisions of article 520ter above for the financial year 2011-2012;
- Modification of the statutes regarding modalities of invitation, addition of agenda items, questions, voting publications, and proxies
- Authorisation for a period of five years as from 14 September 2011 to acquire a maximum of 20% of the outstanding shares, i.e. 1.070.631 bundled (ISIN BE0003899193) own shares in the sense of article 627 of the Company Code in view of destruction, transfer or use for an employee stock option plan.

4.9.2 Extraordinary general meeting

On July 20th , 2012, an extraordinary general meeting of shareholders of the Company took place at the registered office of the Company.

The following decisions were made:

- Capital reduction in accordance with articles 620, 623, 624 and 625 of the Belgian Company Code with an amount of €2.523.556,27 and destruction of 145.389 acquired own shares purchased in spite of article 617 of the Belgian Company Code.
- Capital increase with an amount of €2.523.556,32 through incorporation of the issuance premium to €32.193.100,00.
- Establishment that the aforementioned capital increase and capital reduction have been realized and that the share capital remains at €32,193,100.00.
- Renewal of the authorized capital:
  - Taking note of the special report established by the Board of Directors in accordance with Article 604 of the Belgian Company Code.
  - As referred to in Article 607 of the Belgian Company Code renewal of the authority to increase the share capital by a maximum amount equal to the share capital of the Company, being €32.193.100,00 for a period of five years as of the date of publication of the concerned decision of the General Meeting of shareholders in the annexes of the Belgian Official Gazette.
  - As referred to in Article 607 of the Belgian Company Code, the General Meeting resolves to renew the authority to increase the shared capital in the event of a public takeover bid for a period of three yearsas of July 20, 2012.
- Exemption for the financial year 2012-2013 on the variable remunerations as referred to in Article 520ter of the Belgian Company Code.

4.10 Comply or explain

Gender diversity

The company Charter provides that each member of the Board of Directors will fulfill his mandate in an honest, ethical and responsible way. The first duty of each director is to protect the interests of the company. Independent decisions are required for this, irrespective of whether the director is an executive director or an independent director or not. This entails that there must be a difference of opinions in the interest of the company.

The Code 2009 recommends for the Board of Directors to be formed based on gender diversity and diversity in general. At that level, there remains a deviation which the company can explain through the historical growth of the company and the circumstance that the representatives of the reference shareholders who form the majority in the Board of Directors are all men. The Board of Directors in its current composition offers complementarity and through their different background, experience and competences a diversity of opinions is guaranteed. Furthermore, when changes in the composition of the Board of Directors will be considered, the directors will include women with the required experiences and skills in their assessment for new membership of the board.

4.11 Risk factors

The executive management provides an internal control and risk management framework, supervised by the Board of Directors. The Board of Directors assesses the implementation of this framework and therefore relies on advice of the Audit committee. The main risk factors are described hereafter, both financial and operational, which are typical of the activities of the group:

- **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, and to pressure on the sales prices. 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:

- 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 our margins, profitability and market share.

- **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 slows down due to a challenging 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.

- **Internal IT systems**

Our business depends also on internal IT systems. Malfunctioning might cause problems or even (partial) loss of data. To prevent problems and to safeguard continuity, making backups and maintenance of the systems are part regular part of the internal IT process.

- **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. With a good order book at hand our focus is on hiring people under challenging job market conditions in the current 'war for talent'-environment.

We have trade union representatives and strive to a positive and constructive social climate. Nevertheless social actions might affect the business and have a negative effect on the activities.

- **Successfully deploy the RealDolmen DataCenter**

Success will depend on our ability to continuously invest in our data center, operational since September 2010, in the coming years and to find enough clients to have sufficient used capacity. This means that RealDolmen can focus on further developing, supplying and optimising its range of services for data centre outsourcing With these investments, RealDolmen is also addressing the shift to 'cloud computing'. This means that ICT resources are no longer bought and installed at a Company's site, but purchased instead as an Internet service from an external supplier, allowing companies to deal more flexibly with ICT and to convert their investment costs into operational costs. Nevertheless, services, solutions and technologies developed by competitors may make our service or solution offerings uncompetitive or obsolete and can have an adverse effect on our operating results and market position.

- **Dependency on sales successes**

The operating plan of 2012/2013 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 world economy is still suffering the aftermath of the crisis and new financial and political crises are 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

- **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. We cannot exclude product liability, and even suffer from a negative impact on our reputation, We concluded insurance policies inclusively recall risks.

- **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.

- **Regulatory risks**

We are subject to national and international laws and regulations. As a result of the listing on Euronext RealDolmen is also subject to the legislation on publication and insider trading. We strive to be compliant with this legislation. Changes in the legal framework applicable, might affect the processes and might need further administrative care.

- **Force Majeure risks**

Force majeure risks are not avoidable. Some might be covered by insurances. If necessary we might manage by using own cover to overcome. Contractual clauses might foresee execution to be (temporary) postponed.

5 Financials

Consolidated financial statements – IFRS

Notes

5.1 Consolidated financial statements – IFRS

Consolidated statement of comprehensive income for the period ended March 31, 2012

		31/03/2012 EUR '000	31/03/2011 EUR '000
CONTINUING OPERATIONS			
Operating Revenue		**261.628**	**246.464**
Turnover	note 5	**258.479**	**244.179**
Other operating income	note 6	3.149	2.285
Operating Charges		**-248.017**	**-234.063**
Purchases of goods for resale, new materials and consumables	note 17	-74.320	-67.847
Services and other goods	note 7	-55.653	-52.984
Employee benefits expense	note 7	-115.320	-109.163
Depreciation and amortization expense	note 13/14	-3.384	-4.212
Provisions and allowances	note 7	1.323	740
Other operating expenses	note 6	-663	-597
OPERATING RESULT before NON-RECURRING		**13.611**	**12.401**
Non-recurring revenues	note 8	0	800
Restructuring charges		0	0
Other non-recurring charges	note 8	0	-204
OPERATING RESULT (EBIT)		**13.611**	**12.997**
Financial income	note 9	559	496
Financial charges	note 9	-6.746	-5.806
Profit (Loss) before income taxes		**7.424**	**7.687**
Income taxes	note 10	-153	-383
Profit (Loss) for the year		**7.271**	**7.304**
Other comprehensive income		0	0
Total comprehensive income for the period		**7.271**	**7.304**
Attributable to:			
Equity holders of the parent		7.271	7.304
Minority interest		0	0
EARNINGS PER SHARE			
Basic earnings per share (EUR)	note 11	1,366	1,364
Diluted earnings per share (EUR)	note 11	1,366	1,364

Consolidated statement of financial position for the period ended March 31, 2012

		31/03/2012 EUR '000	31/03/2011 EUR '000
ASSETS			
Non Current Assets		**134.015**	**135.998**
Goodwill	note 12	97.714	97.714
Intangible assets	note 14	1.369	2.366
Property, plant and equipment	note 14	14.727	15.479
Deferred tax assets	note 16	19.908	19.946
Finance lease receivables		297	493
Current Assets		**132.661**	**153.012**
Inventories	note 17	1.619	9.110
Trade and other receivables	note 18	79.417	86.439
Other financial assets	note 18	2.000	0
Financial assets classified as held for trading	note 20	0	3.022
Cash and cash equivalents	note 21	49.625	54.441
Non Current Assets as held for sale		0	0
Total Current Assets		132.661	153.012
TOTAL ASSETS		**266.676**	**289.010**
EQUITY AND LIABILITIES			
Shareholder's Equity		**142.970**	**139.108**
Share capital	note 22	32.193	32.193
Treasury shares (-)		-977	0
Share premium		59.284	61.807
Retained earnings		52.470	45.108
Equity attributable to equity holders of the parent		**142.970**	**139.108**
Minority interest		0	0
TOTAL EQUITY		**142.970**	**139.108**
Non-Current Liabilities		**7.674**	**54.133**
Convertible loan notes	note 23	0	44.884
Obligations under finance lease	note 24	1.695	2.179
Bank loans and Other Borrowings	note 25	63	127
Retirement benefit obligations	note 26	3.818	4.035
Provisions	note 27	1.677	2.417
Deferred tax liabilities	note 16	421	491
Current Liabilities		**116.032**	**95.769**
Convertible loan notes	note 23	41.441	0
Obligations under finance lease	note 24	288	273
Bank overdrafts and loans	note 25	7.566	7.183
Trade and other payables	note 28	66.406	87.531
Current income tax liabilities	note 10	185	468
Provisions	note 27	146	314
Liabilities directly associated with non-current assets classified as held for sale		0	0
Total Current Liabilities		**116.032**	**95.769**
TOTAL LIABILITIES		**123.706**	**149.902**
TOTAL EQUITY and LIABILITIES		**266.676**	**289.010**

Consolidated statement of cash flows for the period ended March 31, 2012

	31/03/2012 EUR '000	31/03/2011 EUR '000
EBIT	**13.611**	**12.997**
Depreciation and amortisation	3.384	4.212
Provisions and allowances	-1.686	-1.040
(Gains) / Losses on disposals of assets	-621	-1.043
Share-based compensation	0	0
Negative goodwill	0	-800
Other adjustments	-318	-153
Gross Operating Cash Flow	**14.370**	**14.173**
Changes in working capital	-5.992	5.466
Net Operating Cash Flow	**8.378**	**19.639**
Income taxes paid	-477	-321
Net Cash Flow from Operating Activities	**7.901**	**19.318**
Interest received	442	188
Dividend received	0	0
Investments in intangible assets	-28	-108
Investments in property, plant and equipment	-1.535	-1.515
Acquisitions of financial assets	-5	-7
Cash-in acquisition T-systems	0	1.352
Deferred payment on acquisition of Axias	0	-1.446
Disposals of intangible assets and property, plant and equipment	694	1.133
Investments in other financial assets	-2.000	0
Investments classified as held for trading (SICAVS) cash inflow	3.022	9.687
Investments classified as held for trading (SICAVS) cash outflow	0	-4.979
Net Cash Flow from Investment Activities	**590**	**4.306**
Interest paid	-1.245	-1.219
Purchase of treasury shares	-3.409	0
Convertible bond cash outflow	-8.697	0
Dividend paid	-2	-2
Increase / Decrease financial liabilities cash inflow	4.132	0
Increase / Decrease financial liabilities cash outflow	-4.086	-5.600
Cash Flow from Financing Activities	**-13.307**	**-6.820**
Changes in Cash and Cash Equivalents	**-4.816**	**16.804**
Net cash position opening balance	54.441	37.637
Net cash position closing balance	49.625	54.441
Total Cash movement	**-4.816**	**16.804**

Consolidated statement of changes in equity for the period ended March 31, 2012

	Share Capital	Treasury shares	Share Premium	Convertible bond	Retained earnings	Total
Balance at April 1, 2010	**32.193**	**0**	**49.120**	**12.687**	**37.804**	**131.804**
Total comprehensive income					7.304	**7.304**
Share based compensation						**0**
Transfer within equity						**0**
Other						**0**
Balance at March 31, 2011	**32.193**	**0**	**49.120**	**12.687**	**45.108**	**139.108**
Balance at April 1, 2011	**32.193**	**0**	**49.120**	**12.687**	**45.108**	**139.108**
Total comprehensive income					7.271	7.271
Acquisition of own treasury shares (1)		-977			91	-886
Cancellation of void own treasury shares (2)	-2.523					-2.523
Capital increase (3)	2.523		-2.523			0
Balance at March 31, 2012	**32.193**	**-977**	**46.597**	**12.687**	**52.470**	**142.970**

(1) Acquisition of 58.465 own treasury shares, of which 5.250 shares (91 KEUR) were already in the group in the past.

(2) Acquisition of 145.389 treasury shares, which are void and cancelled, subject to the approval by the extraordinary shareholders' meeting

(3) Capital increase through absorption of the share premium, subject to the approval by the extraordinary shareholders' meeting

5.2 Notes

NOTE 1 - GENERAL INFORMATION

RealDolmen NV (the Company) is a limited company incorporated in Belgium, with company number BE0429.037.235. The addresses of its registered office and principal place of business are in Belgium, A. Vaucampslaan 42, 1654 Huizingen. The principal activities of the Company and its subsidiaries are described in note 15. The consolidated financial statements for the year ended March, 31 2012 include RealDolmen and its subsidiaries (together referred to as 'the Group'). Comparative figures are for the financial year ended March 31, 2011. The consolidated financial statements were authorised for issue by the Board of Directors of the Company on May 24, 2012.

NOTE 2 - STATEMENT OF COMPLIANCE

Standards and interpretations applicable for the annual period beginning on 1 April 2011

- Improvements to IFRS (2009-2010) (normally applicable for annual periods beginning on or after 1 January 2011)
- Amendment to IFRS 1 First Time Adoption of International Financial Reporting Standards – IFRS 7 exemptions (applicable for annual periods beginning on or after 1 July 2010)
- Amendment to IAS 24 Related Party Disclosures (applicable for annual periods beginning on or after 1 January 2011). This Standard supersedes IAS 24 Related Party Disclosures as issued in 2003.
- IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments (applicable for annual periods beginning on or after 1 July 2010)
- Amendment to IFRIC 14 IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction – Prepayments of a Minimum Funding Requirement (applicable for annual periods beginning on or after 1 January 2011)

Standards and interpretations published, but not yet applicable for the annual period beginning on 1 January 2011

- IFRS 9 Financial Instruments (applicable for annual periods beginning on or after 1 January 2013)
- IFRS 10 Consolidated Financial Statements (applicable for annual periods beginning on or after 1 January 2013)
- IFRS 11 Joint Arrangements (applicable for annual periods beginning on or after 1 January 2013)
- IFRS 12 Disclosures of Interests in Other Entities (applicable for annual periods beginning on or after 1 January 2013)
- IFRS 13 Fair Value Measurement (applicable for annual periods beginning on or after 1 January 2013)
- Improvements to IFRS (2009-2011) (normally applicable for annual periods beginning on or after 1 January 2013)
- Amendment to IFRS 1 First Time Adoption of International Financial Reporting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters (applicable for annual periods beginning on or after 1 July 2011)
- Amendment to IFRS 1 First Time Adoption of International Financial Reporting Standards – Loans received from governments at a below market rate of interest (applicable for annual periods beginning on or after 1 January 2013)
- Amendment to IFRS 7 Financial Instruments: Disclosures – Derecognition (applicable for annual periods beginning on or after 1 July 2011)
- Amendment to IAS 1 Presentation of Financial Statements - Presentation of Items of Other Comprehensive Income (applicable for annual periods beginning on or after 1 July 2012)
- Amendment to IAS 12 Income Taxes – Deferred Tax: Recovery of Underlying Assets (applicable for annual periods beginning on or after 1 January 2012)
- Amendments to IAS 19 Employee Benefits (applicable for annual periods beginning on or after 1 January 2013)
- Amendments to IAS 27 Separate Financial Statements (applicable for annual periods beginning on or after 1 January 2013)
- Amendments to IAS 28 Investments in Associates and Joint Ventures (applicable for annual periods beginning on or after 1 January 2013)
- IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine (applicable for annual periods beginning on or after 1 January 2013)

NOTE 3 - SUMMARY OF ACCOUNTING POLICIES

Basis of consolidation

Consolidated financial statements include subsidiaries, interests in jointly controlled entities through proportional consolidation, and associates accounted for under the equity method.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

All intra-group transactions, balances, income and expenses are eliminated in the consolidation.

Subsidiaries

Subsidiaries are entities that are controlled directly or indirectly. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Consolidation of subsidiaries starts from the date RealDolmen controls the entity until the date such control ceases.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity.

However, when the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognized in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IAS 39 Financial Instruments: Recognition and Measurement or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

Jointly controlled entities

Entities over which RealDolmen contractually agrees to share control with other venture(s) are jointly controlled entities. Such agreement ensures that strategic, financial and operating decisions require the unanimous consent of all the ventures. Proportionate consolidation of jointly controlled entities starts when joint control is established until the date it ceases.

Associates

Associates are entities over which RealDolmen has a significant influence by participating in the decisions of the investee without controlling or jointly controlling those entities. Associates are accounted for using the equity method until the date significant influence ceases.

Business combinations and goodwill

Business Combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognized in profit or loss as incurred.

When RealDolmen acquires an entity or business, the identifiable assets and liabilities of the acquiree are recognized at their fair value at acquisition date, except for:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognized and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively;

- liabilities or equity instruments related to share-based payment transactions of the acquiree or the replacement of an acquiree's share-based payment transactions with share-based payment transactions of the Group are measured in accordance with IFRS 2 Share-based Payment at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the considerate on transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. Where such a difference is negative, the excess is, after a reassessment of the values, recognized as income immediately as a bargain purchase gain. Non-controlling interests (minority shareholders) that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognized amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis.

If RealDolmen increases its interest in an entity or business over which it did not yet exercise control (in principle increasing its interest up to and including 50% to 51% or more) (a business combination achieved in stages), the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognized in profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (maximum one year after acquisition date), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

Goodwill

Goodwill arising on the acquisition of a subsidiary or a jointly controlled entity represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary or jointly controlled entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the business combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. Any impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary or a jointly controlled entity, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Foreign currencies

Transactions in currencies other than € are accounted for at the exchange rates prevailing at the date of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are translated at closing rate. Non-monetary assets and liabilities carried at fair value and denominated in foreign currencies are translated at the exchange rates prevailing at the date the fair value was determined. Gains and losses resulting from such translations are recognised in the income statement, except when deferred in equity.

Assets and liabilities of the Group's foreign operations are translated at closing rate. Income and expenses are translated at the average exchange rates for the period unless exchange rates fluctuate significantly. Resulting exchange differences are recognised in equity within the translation reserve. On disposal of a foreign operation, exchange differences accumulated in equity are recognised in the income statement.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and sales related taxes.
RealDolmen's revenue-earning activities involve, but are not limited to, the selling of Product Licences, the rendering of Software Services, delivering of Software/Technical Support and selling of Infrastructure. Infrastructure sales commonly go with the sales of Licence Products but can also occasionally involve straight-forward goods sales.
These activities constitute the Company's ongoing major operations, and revenues are considered to have been earned when the Company has substantially accomplished what it must do to be entitled to the benefits represented by the revenues.

1. Infrastructure
Revenue from the sale of hardware (so called 'infrastructure revenue') is recognized in the income statement when the significant risks and rewards of ownership have been transferred to the buyer.

2. Licences
Licenses are agreements by which the Company grants the customer the right to use, but not own, the Company's products, usually with limitations on the number of employees or users for which the software use is granted and the license period.
Fees from licenses are recognized as revenue, if no significant production, modification or customisation of software is required and when all of the following four conditions are met:

1) signature by the company and the customer of a non-cancellable contract;
2) delivery has occurred;
3) the license fees are fixed and determinable;
4) collection of the fee is almost certain.

If significant production, modification or customisation of software is required, revenue can only be recognised in conformity with the contract accounting method used for 'Fixed price contracts'.

3. Maintenance
Revenue from maintenance contracts and other contracts for which a specific service is delivered during a contractually agreed period of time, is recognised on a straight-line basis over the term of the contract, except for maintenance contracts in which the Group acts as a commissioner, in which case the commission is directly recognised in the income statement.

4. Project revenues: fixed price contracts and time & material
Fixed price contracts
Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the balance sheet date. RealDolmen determines the stage of completion of the contract by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable, will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Time and material
Time based service contracts are agreements for services such as installation, development, consulting, training and other services, based on the time-and-material concept.

The basis for these agreements is only an agreed day/hour unit price, without neither explicit nor implicit delivery requirements nor any commitments to results to be achieved. The revenue can be recognised as the services are delivered and invoiced.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Government grants

Government grants are recognised in profit or loss over the periods necessary to match them with the related costs and are presented as other operating revenues.

Supplier discounts

Discounts received from suppliers are recognized as a deduction from expenses. If such reimbursements are received specifically for well-defined expenses incurred, they will be deducted from those particular expenses. In other cases, they will be recognized as a deduction from cost of goods purchased.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Finance Lease: RealDolmen as lessee

The Group entered into several leasing agreements, mainly related to office buildings and office equipment. Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss.

Finance Lease: RealDolmen as lessor

Occasionally, RealDolmen acts as a lessor, relating to the telephony business. RealDolmen acts as an intermediate between the leasing company and the client. At the inception of the finance lease the corresponding receivable towards the client is included in the balance sheet. The corresponding liability with the leasing company is included in the balance sheet as a finance lease obligation for the same amount.

Operating lease: RealDolmen as lessee

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight-line basis over the lease term.

Property, plant and equipment

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. After initial recognition, all items of property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses. The cost of an item of property, plant and equipment comprises its purchase price, any cost directly attributable to bringing the asset to the location and condition for it to be capable of operating in the manner intended by management.

Depreciation is calculated over the estimated useful lives of property, plant and equipment using the straight-line method. Depreciation starts when the assets are ready for their intended use.

The estimated useful lives of the most significant categories of property, plant and equipment are:

- Land is not depreciated
- Buildings 2-5%
- Machinery & Fixtures 6,6-25%
- Computer & Office equipment 10-33%
- Vehicles 20-25%

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.
An internally-generated intangible asset arising from the Group's business development is recognised only if all of the following conditions are met:

- an asset is created that can be identified (such as software and new processes);
- it is probable that the asset created will generate future economic benefits; and
- the development cost of the asset can be measured reliably.

Internally-generated intangible assets are amortised on a straight-line basis over their estimated useful lives. Where no internally-generated intangible asset can be recognised, development expenditure is charged to profit or loss in the period in which it is incurred.

Patents and trademarks

Patents and trademarks are measured initially at purchase cost and are amortised on a straight-line basis over their estimated useful lives, being 3-5 years.

Impairment of assets

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss. Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition, and less the discounts received from suppliers. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution. Stock of components held for maintenance and repairs are written of over a period of three years.

Financial instruments

Financial assets and financial liabilities are recognised on the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised from the balance sheet when the contractual rights to the cash flows from the financial asset expire or when the asset is transferred and the transfer qualifies for derecognition based on the extent to which the risks and rewards of ownership are retained or transferred. Financial liabilities are removed from the balance sheet when they are extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expires.
The fair value of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets is determined with reference to quoted market prices;
- the fair value of financial assets classified as held for trading (specifically SICAV's) is determined on publications of the funds. The fair value is estimated based on discounting future cash flows using current market interest rates with appropriate credit spread;
- the fair value of other financial assets and financial liabilities (excluding derivative instruments) is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments;
- the fair value of derivative instruments is calculated using quoted prices. Where such prices are not available, use is made of discounted cash flow analysis using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives;

- the fair value of financial guarantee contracts is calculated based on option pricing models, taking into account the probability that a specific counterparty will default on its obligations, extrapolated based on market information and the amount of the loss, in case the default are the main assumptions.

Trade and other receivables

Contracts in progress (on-going projects for third parties)
Contracts in progress (also known as 'turnkey projects' or 'fixed price projects') are valued using the 'Percentage of Completion Method' where the percentage of completion is based on an as accurate as possible estimate of the hours already worked and updated forecasts of hours yet to be executed in order to complete the fixed price contract.

Contracts in progress are valued at cost including profit recognized to date less instalment payments invoiced pro rata the progress of the project.

Besides all expenditure directly connected with specific projects, the cost also includes an allocation of the fixed and variable direct costs incurred in connection with the Group's contracting activities, based on a normal production capacity.

Profits are recognized in the income statement on the basis of the progress of the works.

In the period in which it is determined that a loss will result from the performance of a contract, the entire amount of the estimated ultimate loss is expensed.

In projects where the value pro rata progress of the project (the costs incurred including profit or loss) is greater than the amount invoiced, the difference is shown as an asset under the heading "trade and other receivables". For projects where the amount invoiced is greater than the costs incurred including profit or loss, the difference is presented in liabilities under the heading "prepayments received on orders".

Trade receivables
Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method where the impact is material. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets are classified as at fair value through profit or loss if they are held for trading. Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorized as at FVTPL unless they are designated and effective as hedging instruments.

For investments that are actively traded in organized financial markets, fair value is determined by reference to quoted market prices at the close of business on the balance sheet date. For investments where there is no quoted market price, fair value is calculated based on the discounted cash flow analyses.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. The cash and cash equivalents are measured at amortised cost less accumulated impairments.

Financial liabilities and equity instruments issued by the Group

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

Bank borrowings

Interest-bearing bank loans and overdrafts are initially measured at fair value less transaction costs (if applicable), and are subsequently measured at amortised cost, using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs (see above).

Convertible loan notes

Convertible loan notes are regarded as compound instruments, consisting of a liability component and an equity component. At the date of issue, the fair value of the liability component is estimated using the market interest rate prevailing at issue date for similar non-convertible debt. The difference between the proceeds of issue of the convertible loan notes and the fair value assigned to the liability component, representing the embedded option for the holder to convert the loan note into equity of the Group, is included in equity (capital reserves).

Issue costs are apportioned between the liability and equity components of the convertible loan notes based on their relative carrying amounts at the date of issue. The portion relating to the equity component is charged directly to equity.

The interest expense on the liability component is calculated by applying the prevailing market interest rate for similar non-convertible debt to the liability component of the instrument. The difference between this amount and the interest paid is added to the carrying amount of the convertible loan note.

Trade payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method where the impact is material.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Embedded derivatives

Derivatives embedded in other financial instruments or other non-financial host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contract and the host contract is not carried at fair value with unrealised gains or losses reported in profit or loss.

Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the balance sheet date, and are discounted to present value where the effect is material.

Restructuring provisions

A constructive obligation to restructure arises, and hence a provision for restructuring is recognised, only when the Group has a detailed formal plan for the restructuring identifying at least the business or part of a business concerned, the principal locations affected, the location, function, and approximate number of employees who will be compensated for terminating their services, the expenditures that will be undertaken, and when the plan will be implemented and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

A management or board decision to restructure taken before the balance sheet date does not give rise to a constructive obligation at the balance sheet date and hence no provision is recognised unless the entity has, before the balance sheet date started to implement the restructuring plan; or announced the main features of the restructuring plan to those affected by it in a sufficiently specific manner to raise a valid expectation in them that the entity will carry out the restructuring.

Retirement benefit costs

Retirement benefit schemes

In accordance with the laws and practices applicable in each country, the companies of the Group provide retirement and/or death benefits to their employees.

Defined contribution plan

Under “defined contribution plans”, the obligation of the company is limited to the amount that it agrees to contribute to a fund. All actuarial and investment risks fall on the employee. Payments to defined contribution plans are charged as expenses as they fall due.

Defined benefit plans

Defined benefit plans are post-employment benefit plans other than defined contribution plans. Under “defined benefit plans” benefits are typically calculated based on years of service and on the level of remuneration. The amount recognised in the balance sheet is the present value of the “defined benefit obligation”, adjusted for the unrecognised actuarial gains/(losses) and any past service cost not yet recognized less the fair value of any plan assets.

Any asset resulting from this calculation is limited to unrecognized actuarial losses and past service costs plus the present value of available refunds and reductions in future contributions to the plan.

The present value of the "defined benefit obligations" and the related current and past service costs are calculated using the "projected unit credit method". This implies that benefits are normally attributed to periods of service under the plan's benefit formula. The discounted value of benefits attributed to prior periods of service equals the present value of the defined benefit obligation, and the discounted value of benefits attributed to the current period of service equals the service cost. The discount rate is determined based on the market yields at the balance sheet date of high quality corporate bonds.

The actuarial gains and losses, resulting mainly from changes in actuarial assumptions, are determined separately for each defined benefit plan and not immediately recognised but deferred according the following principle. The actuarial gains and losses exceeding a corridor of 10% of the higher of the fair value of plan assets and the present value of the defined benefit obligations are recognised in the income statement over the average remaining working lives of the plan participants involved.

Past service costs, which arise when a plan is introduced or modified, are recognized as an expense over the average period until the benefits become vested.

In the income statement, current and past service costs, actuarial gains/(losses) are charged in "employee benefit expense", while interest cost and expected return on plan assets are booked in "other financial income & expenses".

Early retirement pensions

Early retirement benefits are treated as voluntary termination benefits. Consequently, the liability recognized in the financial statements corresponds to the discounted value of the early retirement benefits expected to be paid in the future for current pre-pensioners as well as employees expected to retire early in the future. The Collective Labour Agreement (“Generation pact”) that came into force in 2006 supports the current system of early retirement until the end of 2016. All employees at the age of 51 or older have been included in the calculations, because these employees will reach the age of 60 by the end of 2016 at the latest and can therefore use the current system of early retirement as supported by the Collective Labour Agreement., The calculations are adjusted for an expected personnel rotation, based on historical data.

Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

NOTE 4 - CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Impairment of Goodwill

In accordance with IFRS 3, goodwill is tested for impairment annually or more frequently if there are indications that the goodwill might be impaired, in accordance with IAS 36 - Impairment of Assets. This Standard also requires that the goodwill should, as from the acquisition date, be allocated to each of the cash-generating units (CGU's) or groups of cash-generating units, that are expected to benefit from the synergies of the business combination. The CGU's to which goodwill has been allocated were tested for impairment at the balance sheet date by comparing the carrying amount of the unit with the recoverable amount (higher of its fair value less cost to sell and its value in use).

We refer to note 12 for further information on the impairment testing of the goodwill.

Deferred tax assets

Deferred tax assets are recognized for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilized. In making its judgment, management takes into account elements such as long-term business strategy and tax planning opportunities (cf. note 16 'Deferred taxes').

Employee benefits

The defined-benefit obligations are based on actuarial assumptions such as discount rate and expected rate of return on plan assets, which are extensively detailed in note 26 'Retirement benefit plans'.

In application of the Collective Labour Agreement (we refer to the summary of accounting principles in note 3 for more information, management decided that early retirement benefits should be treated as voluntary termination benefits which reflects the Group's assessment of the existence of a constructive obligation to provide those benefits. Consequently, the liability recognised in the financial statements corresponds to the discounted value of the early retirement benefits expected to be paid in the future for current pre-pensioners as well as employees expected to retire early in the future.

NOTE 5 - BUSINESS SEGMENT INFORMATION

Revenue

An analysis of the Groups' revenue for the year, for continuing operations, is as follows:

	31/03/2012	31/03/2011
	EUR '000	EUR '000
Continuing operations		
Revenue Infrastructure Products	82.690	74.214
Revenue Professional Services	139.314	133.539
Revenue Business Solutions	36.475	36.426
	258.479	**244.179**

Reportable segments

For management purposes, the Group is currently organized into three operating divisions: Infrastructure Products, Professional Services, 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.

1. Segment total revenue and segment total result

	Segment revenue		Segment result	
	31/03/2012	31/03/2011	31/03/2012	31/03/2011
	EUR '000	EUR '000	EUR '000	EUR '000
Continuing operations				
Infrastructure Products	82.690	74.214	6.090	4.193
Professional Services	139.314	133.539	11.074	10.010
Business Solutions	36.475	36.426	-862	534
Corporate (1)	0	0	-2.691	-1.740
	258.479	244.179	13.611	12.997
Net financial result			-6.187	-5.310
Profit before tax			7.424	7.687
Income tax expense			-153	-383
Profit for the year from continuing operations			7.271	7.304
Consolidated revenue and result for the year	**258.479**	**244.179**	**7.271**	**7.304**

(1) "Corporate" includes all non-recurring charges and revenues and results not attributable to individual business segments. These mainly relate to overhead costs and revenue of the general management, legal department and business development. The line 'Corporate' in previous year 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 2011 - 2012 or 2010 - 2011.

2. Segment total assets

	Assets	
	31/03/2012	31/03/2011
	EUR '000	EUR '000
Infrastructure Products	59.158	68.434
Professional Services	169.576	175.881
Business Solutions	37.815	44.536
Corporate	127	159
Total of all segments	**266.676**	**289.010**
Unallocated	0	0
Consolidated	**266.676**	**289.010**

Segment info is reported in accordance with what is presented internally to the Chief Operating Decision Maker (CODM) as required by IFRS 8. Segment assets include all assets as recorded in the statement of financial position. Segment result includes the total result as included in the statement of comprehensive income.

3. Additional segment information

	Additions to non-current assets [2]		Depreciation and amortisation	
	31/03/2012	31/03/2011	31/03/2012	31/03/2011
	EUR '000	EUR '000	EUR '000	EUR '000
Infrastructure Products	743	391	881	905
Professional Services	775	1.366	1.989	2.579
Business Solutions	167	214	511	721
Corporate	0	0	3	7
Total of all segments	**1.685**	**1.971**	**3.384**	**4.212**

(2) These are the new investments in intangible assets and property, plant and equipment.

4. Geographical information

The Group's operations are located in Belgium, France and Luxemburg. The following table provides an analysis of the Group's sales and total assets by geographical market.

Sales revenue by geographical market

	31/03/2012	31/03/2011
Continuing operations	EUR '000	EUR '000
Belgium	204.719	187.077
France	39.314	41.162
Luxemburg	14.446	15.940
Total continuing operations	**258.479**	**244.179**

Carrying amount of segment assets by geographical market

	31/03/2012	31/03/2011
	EUR '000	EUR '000
Belgium	231.396	253.226
France	29.968	27.236
Luxemburg	5.312	8.548
Total	**266.676**	**289.010**

5. Information about major customers

There are no customers representing more than 10% of the revenue.

The ten largest clients represent approximately 19% of the consolidated turnover for financial year 2011-2012.

NOTE 6 - OTHER OPERATING INCOME AND EXPENSES

	31/03/2012	31/03/2011
	EUR '000	EUR '000
Gain on disposal of property, plant and equipment	639	1.046
Compensation received	1.870	970
Received commissions	67	69
Other	573	200
Other Operating Income	**3.149**	**2.285**

	31/03/2012	31/03/2011
	EUR '000	EUR '000
Operational taxes	450	420
Property withholding taxes	98	87
Impairment loss on trade receivables	10	85
Loss on disposal of property, plant and equipment	18	4
Other	87	1
Other Operating Expenses	**663**	**597**

Gain on disposal of property, plant and equipment mainly relates to the sale of cars. Most of our own cars were sold at the end of FY11-12, this explains the decrease.

The received compensation mainly relates to reimbursements received from suppliers, compensations relating to legal cases and insurance compensations and indemnities recovered from personnel and insurance companies. The increase is mainly due to the received compensations relating to legal cases won.

The received commissions mainly relate to government grants on work performed.
The 'other' income mainly relates to the clean-up of old balances in trade receivables and trade payables. It also includes the income from renting out buildings and the recovery of costs from suppliers.

No other gains and losses have been recognised in respect of loans and receivables, other than the impairment losses recognised or reversed in respect of trade receivables (see note 7).

The operational taxes mainly relate to taxes and non-deductible VAT on vehicles.

'The 'other' operating expenses mainly relate to the clean-up of old balances in trade receivables and trade payables.

NOTE 7 - OPERATING CHARGES RECURRING

	31/03/2012 EUR '000	31/03/2011 EUR '000
Services and other goods		
Rent and maintenance	2.476	2.770
Subcontractors and consultants	33.633	33.687
Carcost	11.604	10.340
Travel expenses	1.672	1.606
Transport costs	120	63
Administration and system expenses	1.854	1.120
Telecommunications, postal and administrative expenses	1.042	1.033
Insurance cost	286	234
Recruitment and training expenses	568	699
Marketing expenses	971	827
Other expenses	1.427	605
Total Services and other goods	**55.653**	**52.984**
Employee benefits expense		
Salaries & wages (*)	92.911	87.758
Social security charges	17.933	17.213
Personnel insurance	3.109	2.801
Pension cost (**)	-276	350
Other	1.643	1.041
Total Employee benefits expense	**115.320**	**109.163**
Provisions and allowances		
Provisions (Reversal)	-762	-337
Impairment losses doubtful debtors (Reversal)	-545	-504
Impairment losses obsolete inventories (Reversal)	-16	101
Total Provisions and allowances	**-1.323**	**-740**

(*) Including the Directors remunerations in accordance with IAS 19.6
(**) The pension cost includes amounts paid out (€137k, 2011: €117k) and the movement in provisions (€413k , 2011: €233k, see note 26).

The "other" expenses mainly relate to the settlements in legal cases for which the necessary provisions set up in the past have also been reversed.

The RealDolmen Group employed 1.612 FTE on average during the financial year (2011: 1.568 average FTE).

Employee benefits expenses amount to €115.320k (2011: €109.163k) and include all wage and salary costs, provisions for holiday pay, personnel insurances, year-end bonuses and retirement costs and the Directors remunerations. This amount does not include termination benefits under restructuring costs.

The "other" employee benefits expenses mainly relate to the cost of the eco cheques (€313 k, 2011: €303k), expense notes (€775k, 2011: €675k) and meal vouchers (€561k, 2011: €345k), compensated by the payroll charges activated as intangible assets.

NOTE 8 - NON-RECURRING INCOME AND EXPENSES

	31/03/2012	31/03/2011
	EUR '000	EUR '000
Non-recurring revenues	0	800
Other non-recurring charges	0	-204
	0	596

The non-recurring income and expenses in the previous fiscal year relate to the bad will realised on the acquisition of T-systems in Lille (€0,8m), compensated by costs related to the acquisition (€0,2m).

NOTE 9 - FINANCIAL RESULT

	31/03/2012	31/03/2011
	EUR '000	EUR '000
FINANCIAL INCOME		
Interest income from bank deposits [1]	445	190
Fair value and interest income from financial assets held for trading [2]	16	2
Total interest income from financial receivables and cash	**461**	**192**
Discounting of retirement benefit obligations [4]	0	194
Other financial income	98	110
Total other financial income	**98**	**304**
TOTAL FINANCIAL INCOME	**559**	**496**

No interest income was recognized on impaired financial instruments.

FINANCIAL CHARGES		
Interest on financial leases	-58	-66
Interest on bank debts	-332	-317
Interest and write off transaction cost convertible bond [3]	-5.716	-5.330
Realized loss on Bond Buy back [5]	-381	0
Total interest charges	**-6.487**	**-5.714**
Deferred payment on aquisition of Axias	0	-66
Discounting of retirement benefit obligations [4]	-196	0
Other financial cost	-63	-27
TOTAL FINANCIAL CHARGES	**-6.746**	**-5.806**
FINANCIAL RESULT	**-6.187**	**-5.310**

(1) The increase of the interest income from bank deposits is due to a higher interest rate and a higher outstanding amount as short-term bank deposits (see note 21).
(2) Interests received on the SICAV investments (see note 20)
(3) Amortization of transaction costs, amortization of equity component of the convertible bond and interests on convertible bond.
(4) Retirement Benefit plans (see note 26). Due to the decrease of the interest rate on the linear bonds, the discounting of the retirement benefit obligations was negative compared to last year.
(5) On the bond buy back on January 20, 2012 (also see note 23) a loss was realized of 0.4 MEUR.

The increase of the financial charges is mainly due to the realized loss on the bond buy back (€0,4m), the increased interest and write off of transaction costs on the convertible bond (€0,4m) and the change in the interest rate on linear bonds (€0,4m), compensated by the higher interest income from bank deposits (€0,3m).

NOTE 10 - INCOME TAX

	31-03-12	31-03-11 (1)
	EUR '000	EUR '000
Recognized in the income statement		
Current tax	-184	-391
Deferred tax (also see note 16 on deferred taxes)	31	8
	-153	**-383**

(1) comparitive figures have been restated in order to reconcile with note 16 deferred taxes

Reconciliation of effective tax rate

	31-03-12	31-03-12	31-03-11	31-03-11
	EUR '000	%	EUR '000	%
Net profit from continuing operations	7.271		7.304	
Tax charge	-153		-383	
Profit (loss) before tax	**7.424**		**7.687**	
Tax at the domestic income tax rate of 33,99%	-2.523	-33,99%	-2.613	-33,98%
Tax effect of non-deductible expenses	-3.228	-43,48%	-3.561	-16,41%
Tax effect of tax exempt-revenues	49	0,66%	147	1,91%
Non-taxable dividends received from consolidated entities	0	0,00%	520	6,76%
Notional Interest Deduction	149	2,01%	71	0,93%
Tax effect of current and deferred tax adjustments related to prior years	22	0,30%	78	1,02%
Impact of different tax rates	3	0,04%	20	0,25%
Tax effect of unrecognized deferred tax assets	5.375	72,40%	4.956	34,55%
Income tax and effective tax rate for the year	**-153**	**-2,07%**	**-382**	**-4,98%**

Statement of financial position

	31-03-12	31-03-11
	EUR '000	EUR '000
Currenct income tax liabilities	185	468

NOTE 11 - EARNINGS PER SHARE

Basic earnings per share (EPS) are calculated by dividing the net result attributable to the Group by the weighted average number of shares outstanding during the year (i.e. shares in issue excluding treasury shares). Diluted earnings per share are calculated by dividing the net result attributable to the Group by the weighted average number of shares outstanding during the year, both adjusted for any effect of dilutive potential ordinary shares.

	31/03/2012	31/03/2011
Net profit/(loss) for calculating basic earnings per share (€'000)	**7.271**	**7.304**
Effect of dilutive potential ordinary shares (€'000)		
Adjusted net profit/(loss) for calculating diluted earnings per share (€'000)	**7.271**	**7.304**
Weighted average number of shares for calculating basic earnings per share	**5.323.376**	**5.353.156**
Effect of dilutive potential ordinary shares		
Adjusted weighted average number of shares for calculating diluted earnings per share	**5.323.376**	**5.353.156**
Basic earnings per share (€)	**1,366**	**1,364**
- From continuing operations	1,366	1,364
- From discontinued operations		
Diluted earnings per share (€)	**1,366**	**1,364**
- From continuing operations	1,366	1,364
- From discontinued operations		

Weighted average number of shares for calculation of the earnings per share	31/03/2012	31/03/2011
Issued ordinary shares at April 1, 2011	5.353.156	5.353.156
Effect of own treasury shares held	-17.408	
Effect of own treasury shares cancelled	-12.372	
Weighted average number of ordinary shares at March 31, 2012	**5.323.376**	**5.353.156**

All shares are ordinary shares; therefore there is no effect on net profit/(loss) in the calculation of earnings per share that would arise from preference shares.

For the calculation of the diluted earnings per share per 31 March 2012, the potential ordinary shares of the conversion of the convertible bond and the share option plans (see note 32 on share-based payments) are excluded in the weighted average number of ordinary shares for the purposes of diluted earnings per share as they are anti-dilutive for the presented period.

The weighted average number of shares for calculating the earnings per share has decreased resulting from the acquisition of 203.854 own treasury shares (see note 22 on share capital), which are partly cancelled.

The conversion of the convertible bond and the exercise of the share option plans would result in respectively 722.000 and 233.425 additional ordinary shares.

The potential additional shares from the convertible bond would result in additional earnings due to the fact that no interest would be paid.

NOTE 12 - GOODWILL

	31/03/2012	31/03/2011
	EUR '000	EUR '000
At the end of the preceding year:		
Gross book value	141.830	141.830
Accumulated impairment	-44.116	-44.116
Net book value	**97.714**	**97.714**
Movements during the year:	0	0
Additions		
Impairments		
Eliminated on disposal		
Exchange differences		
At year-end	**97.714**	**97.714**
Gross book value	141.830	141.830
Accumulated impairment	-44.116	-44.116
Net book value	**97.714**	**97.714**

Impairment testing of goodwill

In accordance with IFRS 3 – Business Combinations, goodwill is not amortized but tested for impairment. Goodwill acquired in a business combination is allocated, at acquisition date, to the cash generating units (CGUs) that are expected to benefit from that business combination.

The value-in-use method discounts projected cash flows based on a yearly financial budget approved by management. Cash flows beyond the year plan are extrapolated using the most appropriate estimated growth which cannot exceed the long-term average growth rate for the business in which the CGU operates

Management determines these assumptions (prices, volumes, performance yields) based on past performance and its expectations for the market development. The weighted average growth rates used are consistent with the forecasts included in the industry reports and range from 2% to 8% (last year between 2% and 5%) and margins between 20% and 27% (last year between 21% and 36%).

The discount rate applied to cash flow projections is determined on the weighted average cost of capital (WACC post tax), amounting to 10,00% (last year 11,50%). The components for the determination of the WACC are based on sector-specific parameters and taking into account the current financial position of RealDolmen.

Stress test on impairment

Management applied a sensitivity test on the assumptions used in the impairment test of goodwill in order to indicate risk limits. The impact on the variables for each CGU is shown below:

REALDOLMEN	S1	S2	S3	S4
WACC	+1%			
Growth turnover		-1%		
Gross margin			-1%	
Free cash flow				
Capex budget				
Perpetual capex				+1.000
Headroom €47.157 k	33.580	33.685	25.768	39.058

REAL SOLUTIONS	S1	S2	S3	S4
WACC	+1%			
Growth turnover		-1%		
Gross margin			-1%	
Free cash flow				
Capex budget				
Perpetual capex				+100
Headroom €9.062k	6.765	6.141	7.238	8.252

AIRIAL	S1	S2	S3	S4
WACC	+1%			
Growth turnover		-1%		
Gross margin			-1%	
Free cash flow				
Capex budget				
Perpetual capex				+100
Headroom €3.470k	1.223	1.791	-446	2.660

The calculations in the stress test are based on the cash flows over a period of 5 years adding a terminal value based on a growth rate of 2%. The impairment test performed in 2012 did not result in any additional impairment losses.

Goodwill split up per cash generating unit:

	31/03/2011	31/03/2010
	EUR '000	EUR '000
Real Solutions (Luxemburg)	14.930	14.930
Airial Conseil (France)	8.455	8.455
RealDolmen NV	74.329	74.329
Total carrying amount of goodwill	**97.714**	**97.714**

NOTE 13 - PROPERTY, PLANT AND EQUIPMENT

	Land and buildings	Machinery plant and equipment	Furniture and vehicles	Leased and similar equipment	Other property, plant and equipment	Assets under construction and prepayments	Total
							EUR '000
Cost							
At 1 April 2010	**20.147**	**2.903**	**15.060**	**2.855**	**530**	**0**	**41.495**
Additions	32	132	1.351	0	0	26	1.541
Disposals	0	-1	-4.037	0	-276	0	-4.314
At 1 April 2011	**20.179**	**3.034**	**12.374**	**2.855**	**254**	**26**	**38.722**
Additions	81	33	1.008	0	413	20	1.555
Disposals	-20	-221	-2.865	0	-107	0	-3.213
Transfer to other categories of asset	0	-34	34	0	0	0	0
At 31 March 2012	**20.240**	**2.812**	**10.551**	**2.855**	**560**	**46**	**37.064**
Accumulated depreciation and impairment losses							
At 1 April 2010	**-7.425**	**-2.542**	**-12.449**	**-1.714**	**-477**	**0**	**-24.607**
Depreciation expense for the year	-966	-258	-1.527	-118	-15	0	-2.884
Disposals	0	1	3.972	0	275	0	4.248
At 1 April 2011	**-8.391**	**-2.799**	**-10.004**	**-1.832**	**-217**	**0**	**-23.243**
Depreciation expense for the year	-835	-104	-1.147	-118	-53	0	-2.257
Disposals	18	221	2.833	0	91	0	3.163
Transfer to other categories of asset	0	30	-30	0	0	0	0
At 31 March 2012	**-9.208**	**-2.652**	**-8.348**	**-1.950**	**-179**	**0**	**-22.337**
Net carrying amount at 31 March 2012	**11.032**	**160**	**2.203**	**905**	**381**	**46**	**14.727**
Net carrying amount at 31 March 2011	**11.788**	**235**	**2.370**	**1.023**	**37**	**26**	**15.479**

The depreciation of property, plant and equipment amounts to €2.257k (2011: €2.884k).
The investment in furniture and vehicles mainly relates to new IT-equipment.
The disposals in furniture and vehicles mainly relates to the disposal of own cars.

Mortgages (relating to the commercial buildings in Huizingen and Kontich)

	31/03/2012 EUR '000	31/03/2011 EUR '000
Amount of the inscription	10.274	10.274
Carrying amount of the encumbered assets	7.830	8.359

NOTE 14 - INTANGIBLE ASSETS

	Intangible assets EUR '000
Cost	
At 1 April 2010	**6.955**
Additions	430
At 1 April 2011	**7.385**
Additions	130
Disposals	-70
At 31 March 2012	**7.445**
Accumulated amortisation and impairment	
At 1 April 2010	**-3.691**
Amortisation expense for the year	-1.328
At 1 April 2011	**-5.019**
Amortisation expense for the year	-1.127
Disposals	70
At 31 March 2012	**-6.076**
Net carrying amount at 31 March 2012	**1.369**
Net carrying amount at 31 March 2011	**2.366**

The new investments in intangible assets mainly relates to internally developed application software (€103 k) (2011: €321k).

The amortisation of intangible assets amounts to €1.127k (2011: €1.328k).

Total intangible assets mainly relate to the new internal ERP system, having a remaining useful life time of 1 year and a carrying amount of €845k (2011: €1.721k).

NOTE 15 - SUBSIDIARIES AND OTHER INVESTMENTS

Subsidiaries

31/03/2012

Name	Address	Country	Proportion of voting power held	Proportion of ownership interest	Principal activity
Airial Conseil SAS	Rue Bellini 3, 92806 Puteaux Cedex	France	100%	100%	Software consultancy & supply
Real Solutions SA	Rue d'Eich 33, 1461 Luxembourg	Luxembourg	100%	100%	Software consultancy & supply
Real Software France SA	Rue du Maréchal Foch 25, 78000 Versailles	France	100%	100%	Dormant company
Real Software Nederland BV	Printerweg 26, 183021 AD Amersfoort	The Netherlands	100%	100%	Software consultancy & supply
Oriam Corporation	One International Place, Boston, MA 02210	USA	100%	100%	Software consultancy & supply
Frankim NV	Grote Steenweg 15, 9840 Zevergem	Belgium	100%	100%	Services company

Associates

31/03/2012

Name	Address	Country	Proportion of voting power held	Proportion of ownership interest	Principal activity
Eco2B (1)	Molenhuizen 25, 3980 Tessenderlo	Belgium	50%	50%	Dormant company

Other investments

31/03/2012

Name	Address	Country	Proportion of voting power held	Proportion of ownership interest	Principal activity
Antwerp Digital Mainport NV (1)	Noorderlaan 139, 2050 Antwerp	Belgium	9%	9%	Dormant company

(1) these participations have zero value in the books of RealDolmen

NOTE 16 - DEFERRED TAXES

Recognized deferred tax assets and liabilities in the balance sheet:

	31/03/2012		31/03/2011	
	Deferred tax assets EUR '000	Deferred tax liabilities EUR '000	Deferred tax assets EUR '000	Deferred tax liabilities EUR '000
Intangible assets	52	0	94	0
Property, plant and equipment	0	-1.052	0	-1.173
Government grant	3	0	3	0
Inventories	0	0	14	0
Liabilities associated with employee benefits	1.074	0	1.083	0
Other liabilities	41	0	4	0
Deferred tax related to gain on property, plant and equipment	0	-792	0	-730
Temporary difference convertible bond [1]	0	-258	0	-1.306
Tax losses carried-forwards convertible bond	258	0	1.306	0
Tax losses carried-forwards [2]	20.160	0	20.160	0
Deferred tax assets / liabilities	21.589	-2.102	22.664	-3.209
Effects of compensated tax assets and liabilites	-1.681	1.681	-2.718	2.718
Net deferred tax assets / liabilities	**19.908**	**-421**	**19.946**	**-491**

Changes in temporary differences during the reporting period:

	31/03/2011	Recognised in income statement	31/03/2012	31/03/2010	Recognised in income statement	31/03/2011
	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000
Intangible assets	94	-42	52	150	-56	94
Property, plant and equipment	-1.173	121	-1.052	-1.354	181	-1.173
Government grant	3	0	3	2	1	3
Inventories	14	-14	0	10	4	14
Liabilities associated with employee benefits	1.083	-9	1.074	978	105	1.083
Other liabilities	4	37	41	59	-55	4
Deferred tax related to gain on property, plant and equipment	-730	-62	-792	-559	-171	-730
Temporary difference convertible bond	-1.306	1.048	-258	-2.124	818	-1.306
Tax losses carried-forwards convertible bond	1.306	-1.048	258	2.124	-818	1.306
Tax losses carried-forwards	20.160	0	20.160	20.160	0	20.160
	19.455	**31**	**19.487**	**19.446**	**8**	**19.455**

Tax losses carried-forwards of RealDolmen NV by expiration date:

	31/03/2012	31/03/2011
	EUR '000	EUR '000
Without time limit	119.400	135.156

Deferred tax assets not recognised by the Group as at 31 March 2012:

	Gros amount	Recognised deferred tax assets	Unrecognised deferred tax assets
	EUR '000	EUR '000	EUR '000
Tax losses	119.400	20.160	20.424
Total	**119.400**	**20.160**	**20.424**

Deferred tax assets not recognised by the Group as at 31 March 2011:

	Gros amount	Recognised deferred tax assets	Unrecognised deferred tax assets
	EUR '000	EUR '000	EUR '000
Tax losses	135.156	20.160	25.780
Total	**135.156**	**20.160**	**25.780**

1. Deferred taxes on the temporary differences of the convertible bond at RealDolmen

Principle and historical background

On July 5, 2007 Real Software NV (now RealDolmen) issued a convertible bond. At initial recognition of this bond, a taxable temporary difference arose because of the initial recognition of the equity component separately from the liability component under IFRS. As explained under IAS 12.23, the initial recognition exemption of IAS 12.15 (b) does not apply as the temporary difference arises from the initial recognition of the equity component. Therefore, RealDolmen had to recognise an initial deferred tax liability of 5.979 k EUR. As explained further in IAS 12.23, it had to recognise the deferred tax liability in equity in accordance with IAS 12.61.

Under IAS 12.58, subsequent changes in the deferred tax liability will have to be recognised in the income statement as deferred tax expense (income).

Because of the creation of taxable temporary differences with respect to the convertible bond, RealDolmen can on the basis of IAS 12.35 recognise deferred tax assets to the extent of these taxable temporary differences. As these tax losses are a result of transactions historically accounted for in the profit or loss, the related deferred tax asset shall be recognised as income in profit or loss of the period on the basis of IAS 12.58.

Furthermore, the recognized deferred tax assets and deferred tax liabilities are netted on the statement of financial position.

Movements during the period

At each closing date, the temporary difference is recalculated and the deferred tax position is adjusted accordingly. As per March 31, 2012, the deferred tax liability has decreased by €1.048k (LY €818k) (as a result of the change in temporary difference). Consequently the recognized deferred tax assets based on the losses carried forward decreased with the same amount. As both movements are booked through profit and loss, there is no net impact on the result as per March 31, 2012. As of 31 March 2012, deferred tax assets of €258k (2011: €1.306 k) are recognised out of €119.400k (2011: €135.156 k) tax loss carried forward. These deferred tax assets represent income likely to be realised in a foreseeable future.

2. 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. This results in a recognized deferred tax asset of €20.160k (2011: €20.160k). These deferred tax assets have been recognized through profit and loss according to IAS 12 par. 67. In the underlying calculations made to support the deferred tax asset, management used the assumption that at maturity date of the convertible debt in 2012, a new financing agreement would be concluded to cover a partial refinancing at market conditions.

3. Deferred tax liabilities not recognised by the Group as at 31 March 2012

No liability has been recognised in respect of the temporary differences associated with undistributed earnings of subsidiaries and joint ventures because the Group is in position to control the timing of the reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future.

NOTE 17 - INVENTORIES

	31/03/2012	31/03/2011
	EUR '000	EUR '000
Goods for resale, raw materials and consumables		
Purchases	66.790	75.959
Increase (-); Decrease (+) in inventories	7.530	-8.112
Total Goods for resale, new materials and consumables	**74.320**	**67.847**

Purchases of goods for resale contain mainly hardware and related equipment.

	31/03/2012	31/03/2011
	EUR '000	EUR '000
Inventory		
Goods for resale	3.161	10.668
Write-down to net realizable value	-1.542	-1.558
Total inventory	**1.619**	**9.110**

The inventory is almost entirely related to the hardware business.

The decrease in stock is due to 2 large hardware-deals that were closed on the last business day of the previous year (€7,7m). On March 31, 2011 the hardware was not yet delivered to the customer, but it was already invoiced to the customer upfront (see Note 28 on advanced invoicing).

NOTE 18 - TRADE AND OTHER RECEIVABLES

Trade and other receivables

		31/03/2012 EUR '000	31/03/2011 EUR '000
Gross amount trade receivables		76.847	84.560
Allowance for doubtful debts		-800	-1.345
Net carrying amount trade receivables		76.047	83.215
Other receivables		3.370	3.224
	Deferred charges	*1.187*	*926*
	Accrued income	*9*	*6*
	Other receivables	*2.174*	*2.292*
Trade and other receivables		**79.417**	**86.439**

The average credit period on our turnover is 90 days (2010: 105 days). This decrease is caused by the advanced invoicing of 2 hardware deals on March 31, 2011. The average credit period on our turnover of last year, excluding the advanced invoicing of the hardware deals was 97 days. This decrease is the result the increased efforts spend on the collection of outstanding invoices.

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. If the invoices become overdue, a monitoring procedure will be started up.

As from 30 days overdue, the reason for the delayed payment will be investigated taking into account the payment habits of the client. Different reasons can exist for non-payment: administrative problems to be solved, delivery of services not yet fully completed, insolvency of the client, etc. Depending on the reason, actions will be taken to recover the outstanding receivable.

Phase 2 in the credit control process starts from 90 days overdue. As from this moment, the risk for non-payment is considered to be very high. 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 €50.369k (2011: €57.259kR) 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.

The other receivables of 2.174 KEUR, mainly relate to warranties given 1.203 KEUR, 2010-2011: 907 KEUR).

Ageing of trade receivables that are not impaired:

	31/03/2012	31/03/2011
	EUR '000	EUR '000
Current	60.515	66.884
Overdue less than 91 days	13.875	14.166
Overdue 91-120 days	1.039	1.330
Overdue > 121 days	609	608
	76.038	82.987

Movement in the allowance for doubtful debts

	31/03/2012	31/03/2011
	EUR '000	EUR '000
Opening balance	1.345	1.849
Impairment losses recognised on receivables	63	164
Impairment losses reversed	-608	-668
Closing balance	**800**	**1.345**

The impairments recognized during the year represent the difference between the carrying amount of these trade receivables and the present value of the expected liquidation proceeds. See also note 7 'provisions and allowances'.

Ageing of impaired trade receivables (gross amounts)

	31/03/2012	31/03/2011
	EUR '000	EUR '000
90-120 days overdue	208	220
> 120 days overdue	592	1.354
Total	**800**	**1.573**

Derecognition of financial assets

Per end of March 2012, the Group transferred €7.502k (2011: €3.370k to factoring companies. Financial risk is limited to 5% of factored invoices in case of insolvency of client.

See also note 25 on bank loans and other borrowings.

The largest part of the receivables of the Group is sold to the factoring company. The transfer of accounts receivable to the factoring company gives rise to the recognition of a current financial debt in compensation of the collected cash (see also note 25 on bank loans and other borrowings). The receivable remains on the statement of financial position as the Group bears the default risk related to the receivables transferred to the factoring company, unless the factor does not correctly anticipate the insolvency of a client. In compliance with IAS 39, §29, the Group continues to recognise the transferred asset in its entirety and recognises a financial liability for the consideration received, namely the cash amount paid by the factoring company to the Group. Finally, the payment of the invoice by the client to the factoring company leads to the derecognition of the accounts receivable.

NOTE 19 - OTHER FINANCIAL ASSETS

During the year Airial (France) placed an amount of 2.000 K EUR on a deposit account in order to increase the return of temporary excess cash. The average return amount to 2,9%.

	31/03/2012 EUR '000	31/03/2011 EUR '000
Deposits (maturity exceeding 3 months)	2.000	0

See also see note 35 on financial instruments.

NOTE 20 - FINANCIAL ASSETS HELD FOR TRADING

The Group invested in SICAV's for better return of temporarily excess cash. The average return of these SICAV's is less than 1% on a yearly basis. Both the realized and unrealized gains on these SICAV's are recorded under financial income in the income statement.

During the year Airial (France) sold their SICAV's.

	31/03/2012 EUR '000	31/03/2011 EUR '000
SICAV's	0	3.022

See also note 35 on financial instruments.

NOTE 21 - CASH AND CASH EQUIVALENTS

	31/03/2012 EUR '000	31/03/2011 EUR '000
Short-term bank deposits - equal or max. 3 months	15.101	73
Cash at bank & in hand	34.524	54.367
Cash and cash equivalents	**49.625**	**54.441**

Cash and cash equivalents include cash held by the Group and short-term bank deposits with an original maturity of three months maximum. The carrying amount of these assets approximates their fair value.

NOTE 22 - SHARE CAPITAL

	31/03/2012	31/03/2011
	EUR '000	EUR '000
Share capital issued	32.193	32.193
Uncalled share capital	0	0
Share capital issued and fully paid	**32.193**	**32.193**

Acquisition of own shares

In accordance with the company's articles of association and article 620 of the Belgian Company Code, RealDolmen can in general only purchase and sell its own shares by virtue of a special resolution of the shareholders' meeting except when the shares are acquired by the company in order to offer them to its employees.

On February 10, 2009 the Extraordinary General Meeting of Shareholders of RealDolmen NV/SA has decided to a reverse stock split or consolidation by means of exchange of the existing shares and/or VVPR strips whereby hundred (100) existing shares and/or VVPR strips of the company coupon 4 and following attached (in dematerialised or nominative form) will be consolidated into one (1) new share or VVPR strip RealDolmen, coupon nr. 1 and following attached (in dematerialised or nominative form).

In a first stage, the shares are bundled whereby hundred (100) existing shares of the company will be bundled into one (1) bundle share and/of bundled VVPR strip. In a later stage, the number of shares representing the company's share capital will be adapted in the by-laws (i.e. divided by hundred).

The Extraordinary General Meeting of February 10, 2009 has granted the Board of Directors such authority to acquire own shares in view of the completion of the share consolidation. The authorisation has been granted for a period of 5 years and is subject to certain price limitations, specified in the decision of the General Meeting and a number of other terms and conditions.

The Extraordinary General Meeting of October 5, 2011, has explicitly authorised the Board of Directors to, in accordance with the provisions of the Company Code, for a period of five years as from fourteen September two thousand eleven, acquire a maximum of 1.070.631 bundled own shares, equal to 107.063.131 single own shares, at a price which shall not be lower than the fraction value per share and not higher than hundred fifteen percent (115%) of the closing price of the shares on Euronext Brussels on the day preceding the purchase or the exchange.

The acquisition of own treasury shares of February 2012 has been performed taking into account the profits of the current financial year, as well as the profits of the previous financial year. The Board of Directors have therefor decided to, in accordance with articles 617, 620, 623 624 and 625 of the Belgian Company Law, cancel these shares. The cancellation is charged to the equity through a reduction of the share capital, which has already been accounted for as per March 31, 2012. The Extraordinary General Meeting of July 20, 2012 has approved following decisions:

- Capital reduction in accordance with articles 620, 623, 624 and 625 of the Belgian Company Code with an amount of €2.523.556,27 and destruction of 145.389 acquired own shares purchased in spite of article 617 of the Belgian Company Code.
- Capital increase with an amount of €2.523.556,32 through incorporation of the issuance premium to €32.193.100,00.
- to establish that the aforementioned capital increase and capital reduction have been realized and that the share capital remains at €32,193,100.00;
- to renew the authorization of the Board of Directors to increase the share capital as referred to in Article 603 of the Belgian Company Code by a maximum amount equal to the share capital of the Company as of the day of the present meeting, being €32,193,100.00 for a term of 5 years as of the date of publication of the concerned decision of the General Meeting and to renew the authority to increase the shared capital in the event of a public takeover bid for a period of 3 years, as of July 20, 2012.

Capital management

The Group manages its capital by ensuring that the entities in the Group will be able to continue as a going concern and by optimizing the debt and equity balance. To achieve this objective, new debts are only accepted after approval by the Finance Committee. Debts are only used for acquisition purposes.

The Group has a target gearing ratio of less than 3 determined as the proportion of net debt to EBITDA.

The gearing ratio per 31 March 2012 was as follows:

	31/03/2012	31/03/2011
	EUR '000	EUR '000
Non-Current Liabilities		
Convertible loan notes	0	44.884
Obligations under finance lease	1.695	2.179
Bank loans and Other Borrowings	63	127
Current Liabilities		
Convertible loan notes	41.441	0
Obligations under finance lease	288	273
Bank overdrafts and loans	7.566	7.183
Current Assets		
Other financial assets	2.000	0
Assets classified as held for trading	0	3.022
Cash and cash equivalents	49.625	54.441
Net debt	-572	-2.817
EBITDA (1)	16.995	17.209
Net debt to EBITDA ratio	**-0,03**	**-0,16**

(1) EBITDA is determined as EBIT minus depreciation and amortisation

History share capital

This table gives a reconciliation of the share capital of RealDolmen NV:

		Number of bundeled shares issued/created	Capital (in Euro)
At January 1, 2008	**Transaction**	**2.834.744**	**17.807.903,55**
January 28, 2008	Contribution in kind outstanding payable Axias NV [1]	5.435	34.141,98
March 25, 2008	Issuance of shares in the context of the public takeover bid on Dolmen Computer Applications NV	1.874.417	11.775.087,34
At March 31, 2008		**4.714.596**	**29.617.132,87**
July 16, 2008	Contribution in kind outstanding payable Axias NV [2]	36.116	226.879,08
September 1, 2008	Issuance of shares in the context of the merger by absorption of Dolmen by Real resulting from the public takeover bid of 25 March 2008 [3]	602.444	2.349.088,00
At March 31, 2009		**5.353.156**	**32.193.099,95**
	No movements		
At March 31, 2010		**5.353.156**	**32.193.099,95**
	No movements		
At March 31, 2011		**5.353.156**	**32.193.099,95**
	Cancellation of 145.389 own treasury shares [4]	**-145.389**	**-2.523.556,00**
	Capital increase through absorption of the share premium		**2.523.556,05**
At March 31, 2012		**5.207.767**	**32.193.100,00**

1. *Issuance of Real shares as consideration under the Axias NV acquisition.*
2. *Issuance of 361.116 RealDolmen shares as consideration for the contribution in kind of the second payment to Axias NV, partly booked as capital (226 KEUR) and the rest in share premium (1.471 KEUR)*
3. *Issuance of Real shares as consideration for the merger by absorption of Dolmen Computer Applications NV by Real Software following the public takeover bid of March 25, 2008 using a conversion rate of 50 Real shares for 1 Dolmen share*
4. *Cancellation of 145.389 void treasury shares*

NOTE 23 - CONVERTIBLE LOAN NOTES

On 16 July 2007 the successful placement of a 75 M EUR senior unsecured convertible loan due on 2012 was announced by the Group. The convertible loan takes the form of 1.500 convertible bonds with a nominal principal amount of 50 K EUR per bond. The bonds bear interest of 2% per annum payable semi-annually and unless previously converted can be redeemed on 16 July 2012 at 118,44% of their principal amount. The bondholders have the right to convert their note into fully paid shares at 0,50 EUR subject to adjustment mechanisms in accordance with terms and conditions of this bond. The estimated net proceeds of the bond, after deduction of estimated transaction fees were approximately 71,6 M EUR. These proceeds were used to repay outstanding bank debts (Credit Suisse) and outstanding payables and debts to the reference shareholder, leaving 49,2 M EUR of net proceeds to fund internal and external growth.

The bond holders can demand the early redemption of the convertible bonds in the event of a change of control over the Group, in the event of a breach by the Group of its obligations and in the event of other specific events such as insolvency.

The convertible bonds can be converted at any time during the conversion period under the conditions as detailed in the prospectus.

The terms and conditions of the convertible bond provide for the following cases of redemption :

- scheduled redemption on Maturity Date, i.e. (see condition 7 (a))
- redemption at the option of the Issuer (see condition 7 (b)), either by share settlement (condition 7 (b)(i) and 7 (i))
- redemption at the option of the Noteholders following a Change of Control (see condition 7 (c))
- redemption at the option of the Noteholders following a Lack of Shareholders Approval (see conditions 7 (d))
- any other (series of) events that may trigger the redemption of the convertible bond, either automatically or at the option of the Noteholders (see condition 7 (e))

Buy back convertible bond

In October and December 2008 RealDolmen bought back a part of the convertible bond for a total nominal value of €31,5m. On January 20, 2012 part of the convertible bond has been bought back for a nominal value of €7,4m of the €43,5m, 2% senior unsecured convertible notes with redemption price of 118,44% (corresponding to 5,25% per annum yield) coming to maturity in July 2012. This part was bought back at a purchase price of €8,7m (corresponding to 117,44% of their facing value, including the last 1% coupon due in July 2012), realizing a loss of €0,4m. The purchased convertible bonds will be cancelled, following which the convertible bond has a remaining outstanding value of €41,4m.

In application of IAS 32 - Financial Instruments: Presentation, RealDolmen evaluated the terms of the notes to determine whether they contain both a liability and an equity component. Such instrument is called a compound financial instrument, of which the components are classified separately as equity and financial liability. IAS 32 requires that the equity component should be calculated as the residual amount after deducting from the fair value of the instrument as a whole the amount separately determined for the liability component. The difference between the initial carrying value and the redemption amount will be amortized over the period of the bond which results in an effective interest rate of 12,88 %.

	EUR '000
Proceeds of issue	75.000
Liability component at date of issue	56.334
Equity component	**18.666**

The interest charged for the period is calculated by applying an effective interest rate of 12,88%. The liability component is measured at cost. The difference between the carrying amount of the liability component at the date of issue (€56.334k) and the amount reported in the statement of financial position at 31 March 2012 (€41.441k) represents the coupon interest rate to that date. See also note 35 on financial instruments.

The following table provides an overview as per date of this Annual Report of the movements in the outstanding voting securities and equivalent rights relating to the convertible bond, whether or not representing the share capital of RealDolmen NV.

It must be read alongside the notes set forth below.

	Number of convertibles	Excercise price	Total exercise value
April 1, 2010 [(1)]	**87.000.000**	**0,50**	**43.500.000**
Warrants granted	0		0
Warrants cancelled	0		0
Warrants exercised	0		0
Warrants expired	0		0
March 31, 2011	**87.000.000**	**0,50**	**43.500.000**
Warrants granted	0		0
Warrants cancelled	0		0
Buy back Convertible Bond [(2)]	-14.800.000	0,50	-7.400.000
Warrants exercised	0		0
Warrants expired	0		0
			0
March 31, 2012	**72.200.000**	**0,50**	**36.100.000**

(1) As set in the terms of the Convertible Bond, the conversion price has been reset downwards to €0,50 per share. If all convertible bonds were to be converted at the current conversion price of €0,50 per share, the total amount of RealDolmen shares would increase with 87.000.000 shares (870.000 bundled shares as a result of the reverse share split)

(2) On January 20, 2012, part of the convertible bond has been bought back for a nominal value of €7,4m)

NOTE 24 - OBLIGATIONS UNDER FINANCIAL LEASE

	Minimum lease payments		Present Value of minimum lease payments	
	31/03/2012	31/03/2011	31/03/2012	31/03/2011
	EUR '000	EUR '000	EUR '000	EUR '000
Amounts payable under finance leases				
Within one year	288	273	286	269
Later than one year and not later than five years	1.512	1.943	1.471	1.833
Later than five years	183	235	168	187
	1.983	2.452	1.925	2.289
Less: future finance charges	-58	-163		
Present value of lease obligations	1.925	2.289		
Amount due within one year	288	273		
Amount due for settlement after 12 months	1.695	2.179		
Total balance	**1.983**	**2.452**		

The comparative figures as per March 31, 2011 have been restated in order to reflect the fair value, using a market conform interest rate.

It is the Group's policy to lease its building at Kontich which has a lease term of 15 years. For the year ended 31 March 2012, the average effective borrowing rate was ranging from 5,4% to 6,0% (2011: 5,7% - 6%).

The fair value of the Group's lease obligations approximates their carrying amount.

The Group's obligations under finance leases are secured by the lessors' title to the leased assets.

NOTE 25 - BANK LOANS AND OTHER BORROWINGS

CURRENT	31/03/2012 EUR '000	31/03/2011 EUR '000
Secured - At amortised cost		
Bank loans	0	3.750
Liabilities associated with transferred receivables	7.502	3.370
Other loans	64	63
	7.566	7.183
Unsecured - At amortised cost		
Bank overdrafts	0	0
Bank loans	0	0
Other loans	0	0
	0	0
Total	**7.566**	**7.183**

NON-CURRENT	31/03/2012 EUR '000	31/03/2011 EUR '000
Secured - At amortised cost		
Bank overdrafts	0	0
Bank loans	0	0
Other loans	63	127
	63	127
Unsecured - At amortised cost		
Bank overdrafts	0	0
Bank loans	0	0
Other loans	0	0
	0	0
Total	**63**	**127**

Summary of borrowing arrangements

The secured liabilities associated with transferred receivables relate to the factoring facilities that the company currently has in France (see note 18 on the trade and other receivables).

The 'other loans' contain the loan on the land in Kontich.

The secured loan with a credit institution relates a revolving credit facility (at EURIBOR + 2,5%) that is fully redeemed in march 2012. The covenant applicable on this revolving credit facility is linked to the net operating cash flow and cash flow from financing activities. .

The average interest rates on the bank overdrafts and loans were as follows:

	31/03/2012	31/03/2011
Bank Overdrafts	2,38%	2,39%
Credit Institutions [1]	5,49%	5,49%

(1) Fixed rate

The Group has limited exposure to interest rate risk as it has only borrowings with fixed interets rate, except for the loan related to the factoring which is based on a floating rate (EURIBOR 3M + 0,6%).

The directors estimate the fair value of the Group's borrowings, by discounting their future cash flows (only for non-current liabilities) to be as follows:

	31/03/2012	31/03/2011
	EUR '000	EUR '000
Liabilities associated with transferred receivables	7.502	3.370
Other Loans	110	188
Bank loans	0	3.630

The following table details the remaining contractual maturity of the loans and borrowings:

	Within one year	between two and five years	Total
Total bank loans and borrowings 2012	7.566	63	7.629
Total bank loans and borrowings 2011	7.183	127	7.310

Credit lines

	Total	Used	Remaining balance
Available credit lines 31/03/2012	11.205	-1.949	9.256
Available credit lines 31/03/2011	11.262	-1.475	9.787

Breaches and defaults of loan agreements

No contract breaches or defaults occured during the twelve months period ending March 31, 2012.

NOTE 26 - RETIREMENT BENEFIT PLANS

RealDolmen provides retirement benefits to certain employees in Belgium and France.
RealDolmen also provides early retirement benefits (pre-pensions). The corresponding benefit obligations amount to €3.818k of which €569k relates to current pre-pensioners or employees who signed up to leave on pre-pension.

The RealDolmen Belgian pension plans mainly include defined contribution plans which are subject to a minimum guaranteed return.

Since those pension plans are funded through insurance contracts which provide a guaranteed return, they have been accounted for as defined contribution plans.

	31/03/12	31/03/11	31/03/10
	EUR '000	EUR '000	EUR '000
The contributions paid in respect of defined contribution plans amount to	1.934	1.833	1.791

Defined benefit plans

The net liability recognized in the balance sheet amount to :	31/03/12	31/03/11	31/03/10
	EUR '000	EUR '000	EUR '000
Defined benefit obligation - funded plans	575	856	831
Fair value of plan assets	-548	-674	-618
Deficit/(surplus) for funded plans	27	182	213
Defined benefit obligation - unfunded plans	228	241	186
Total deficit/(surplus)	255	423	399
Unrecognized past service cost	0	0	0
Unrecognized net actuarial gains/(losses)	120	72	36
Net liability/(asset) recognized	**375**	**495**	**435**

	Retirement benfits	Early retirement	Constructive obligation with respect to early retirement	People-related liabilities	Total
					EUR '000
At 1 April 2010	**435**	**800**	**2.476**	**285**	**3.996**
Additions (*)	61	18	454	16	549
Used/Reversals (*)		-142	-32	-141	-315
Discounting (**)		-27	-168		-195
At 1 April 2011	**496**	**649**	**2.730**	**160**	**4.035**
Additions (*)		102	101	7	210
Used/Reversals (*)	-121	-200	-237	-65	-623
Discounting (**)		18	178	0	196
At 31 March 2012	**375**	**569**	**2.772**	**102**	**3.818**

(*) see note 7
(**) see note 9

The benefit expense recognized in profit or loss amounts to:	31/03/2012	31/03/2011	31/03/2010
	EUR '000	EUR '000	EUR '000
Current service cost	52	51	37
Interest cost on benefit obligations	51	45	45
Expected return on plan assets	-29	-27	-24
Past service cost recognized	0	0	0
Net actuarial (gains)/losses recognized	-46	21	-8
Settlement gain	-113	0	0
Benefit expense	**-85**	**90**	**51**

	2011/2012 (12 mths)	2010/2011 (12 mths)	2009/2010 (12 mths)
The actual return on plan assets equals:	34	25	25

The benefit expense is recognized in the income statement under Employee benefit expenses.

The benefit obligations reconcile as follows:	31/03/2012	31/03/2011	31/03/2010
	EUR '000	EUR '000	EUR '000
Opening defined benefit obligation	1.098	1.017	793
Service cost	52	51	37
Contributions paid by employees	8	8	9
Interest cost	51	45	45
Benefits paid	-6	-6	0
Net transfer in/out	-170		
Actuarial (gains)/losses	-230	-17	132
Closing defined benefit obligation	**803**	**1.098**	**1.017**

The plan assets reconcile as follows:	2011/2012 (12 mths)	2010/2011 (12 mths)	2009/2010 (12 mths)
	EUR '000	EUR '000	EUR '000
Opening fair value of plan assets	674	618	540
Expected return on plan assets	29	27	24
Contributions paid by employer	30	29	37
Contributions paid by employees	8	8	9
Benefits paid	-6	-6	0
Settlement loss	-193	0	0
Actuarial gains (losses)	5	-2	8
Closing fair value of plan assets	**548**	**674**	**618**

The major categories of plan assets as a percentage of total plan assets are:

	31/03/2012	31/03/2011	31/03/2010
Insurance contracts	100%	100%	100%

The principal actuarial assumptions at the balance sheet date (weighted averages) are:

	31/03/2012	31/03/2011	31/03/2010
Discount rate	4,79%	4,83%	4,45%
Expected rate of return on assets	4,25%	4,25%	4,25%
Expected rates of future salary increases	4,07%	4,17%	4,23%

The experience adjustments for the last 3 periods are as follows:	31/03/2012	31/03/2011	31/03/2010
	EUR '000	EUR '000	EUR '000
Defined benefit obligation	803	1.098	1.017
Fair value of plan assets	-548	-674	-618
Surplus/(deficit)	255	423	399
Experience adjustments on benefit obligations	n.a.	n.a.	n.a.
Experience adjustments on plan assets	5	-2	8

The expected company contributions for 2011/2012 amount to €2k.

NOTE 27 - PROVISIONS

	Customer litigation	Other litigations & charges	Provisions for other risks	Restructuring	Total
					EUR '000
At 1 April 2010	**568**	**1.698**	**511**	**629**	**3.406**
Additions	300	295	0	34	630
Reversals	-18	-657	0	-5	-680
Used	0	-167	0	-457	-624
Transfer	0	0	0	0	0
Re-class from liabilities held for sale	0	0	0	0	0
At 31 March 2011	**850**	**1.169**	**511**	**201**	**2.731**
Additions	700	219	0	56	975
Reversals	0	-424	0	-55	-479
Used	-984	-218	0	-202	-1.404
Transfer	0	0	0	0	0
Re-class from liabilities held for sale	0	0	0	0	0
At 31 March 2012	**566**	**746**	**511**	**0**	**1.823**

The customer litigation provision relates to the estimated cost of work agreed to be carried out for the rectification of services delivered. The other litigation provision represents management's best estimate of the Group's liability to former employees / subcontractors. Restructuring cost is the result of the integration and the optimization project and relates primarily to termination costs. At the date of this report there are no indications of uncertainties regarding the timing of the outflow known to management. No reimbursements are expected relating to provisions stated above.

The group is involved in several major pending trade disputes in Luxemburg, for which the necessary provisions have been set up in order to cover the risks related to some of these cases, after seeking legal advice based on the current status of the cases.

Real Solutions SA, the Luxembourg subsidiary of the Group, lost an arbitration case in which the final decision of 27 July 2012 condemned the company to pay an amount of €571,214.00, to be increased with interest since 1999 and two thirds of the fees and expenses. The amount was for the main part provisioned. (see also note 33)

Other litigations and charges	31/03/2012	31/03/2011
	EUR '000	EUR '000
Guarantees	135	233
Social security	424	392
Employee litigations	132	412
Other	55	132
	746	**1.169**

Split of the provisions in current and non-current

	31/03/2012	31/03/2011
	EUR '000	EUR '000
Analysed as:		
Current liabilities	146	314
Non-current liablilities	1.677	2.417
	1.823	**2.731**

NOTE 28 - TRADE AND OTHER PAYABLES

	31/03/2012	31/03/2011
	EUR '000	EUR '000
Trade payables	17.571	30.079
Other payables	48.834	57.453
as detailled below		
Deferred income & accrued charges	*9.451*	*9.821*
Social and fiscal payables	*34.526*	*35.161*
Dividends payable	*495*	*524*
Advances on non-completed work	*3.419*	*10.695*
Third party contracts in progress	*527*	*541*
Other	*417*	*711*
Trade and other payables	**66.406**	**87.531**

The average credit period on purchases is 40 days (2011: 73 days).

This decrease is due to the 2 large hardware deals on March 31, 2011, where the goods already left the warehouses of the suppliers but were not yet delivered to the client premises, RealDolmen had to account for these goods (we refer to note 17 on the inventory) and for the cost under the trade payables. In the previous year the average credit period on purchases, excluding the 2 hardware deals, was 54 days.

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

Ageing trade payables 2012	Within one year	Between 1 and 5 years	Total
	EUR '000	EUR '000	EUR '000
Trade payables	17.571		17.571
Deferred income & accrued charges	3.979	5.472	9.451
Social and fiscal payables	34.526		34.526
Dividends payable	495		495
Advances on non-completed work	3.419		3.419
Third party contracts in progress	527		527
Other	417		417
Total	**60.934**	**5.472**	**66.406**

NOTE 29 - CONTINGENT LIABILITIES

The Company has no contingent liabilities.

NOTE 30 - COMMITMENTS

The Company has no other guarantees or commitments except for those disclosed in other notes.

For the commitments relating to property, plant and equipment, we refer to note 13 on Property, Plant and Equipment.

NOTE 31 - OPERATING LEASE ARRANGEMENTS

Operating lease commitments

	31/03/2012	31/03/2011
	EUR '000	EUR '000
Minimum lease payments under operating leases recognized as an expense in the year.	6.746	5.603

At the balance sheet date, the Group has outstanding operating lease commitments which fall due as follows:

	31/03/2012	31/03/2011
	EUR '000	EUR '000
Within one year	5.811	4.813
Later than one year and not later than 5 years	11.711	8.799
Total	**17.522**	**13.612**

Operating lease payments represent rentals payable by the Group mainly for company cars. Leases and rentals have an average term of 4 to 5 years.

The increase of the outstanding operating lease commitments larger than one year is due to the transfer from purchased company cars to leased company cars. These contracts are made based upon an estimated number of km. The maximum term of the contract is 5 years or 200.000 km. More or less km are settled at the end of the contract. The contracts may be ended earlier, but then an indemnity fee has to be paid.

NOTE 32 - SHARE BASED PAYMENTS

This note provides an overview of the financial instruments outstanding at the date of this annual report that may trigger share based payments and discusses the relevant issue and exercise conditions.

The capital of the company currently amounts to €32.193.100,00, represented by 520.776.756 shares. For a detailed overview of the company's share capital (including an overview of capital increases, authorized capital and the share consolidation) reference is made to note 22.

The following table provides an overview as per date of this Annual Report of the movements in the outstanding voting securities and equivalent rights, whether or not representing the share capital of RealDolmen NV. It must be read alongside the notes set forth below.

Warrants	Number of warrants	Excercise price	Total exercise value
March 31, 2010	**23.342.500**		**6.127.975**
Warrants granted			
Warrants cancelled			
Warrants exercised			
Warrants expired			
March 31, 2011 [(1)]	**23.342.500**		**6.127.975**
Warrants granted			
Warrants cancelled			
Warrants exercised			
Warrants expired			
March 31, 2012	**23.342.500**		**6.127.975**

(1) The comparative figures have been restated in order to reflect the extension of the Warrants plans 'Warrants 2007', 'Warrants 2008', 'Merger Warrants 2005', 'Merger Warrants 2006', 'Merger Warrants 2007', each for five years.

During financial year 2011/2012 no warrants have been granted, cancelled, exercised.

The following table provides an overview of the possible voting securities and equivalent rights in existence during the current and comparative periods. It must be read alongside the notes set forth below.

	Number of securities	
	Bundled shares [(1)] ISIN BE0003899193 (Continuous)	Shares ISIN BE000373246 (single auction)
Potential future voting rights from:		
Warrants 2007 [(2)]	4.900	490.000
Warrants 2008	210.900	21.090.000
Merger Warrants 2005	5.875	587.500
Merger Warrants 2006	5.875	587.500
Merger Warrants 2007	5.875	587.500
Convertible bond 2007	722.000	72.200.000
Total	**955.425**	**95.542.500**

(1) Following the decision of the February 10, 2009 Extraordinary General Meeting, the existing shares are being consolidated. In a first stage, the shares are bundled whereby hundred (100) existing shares of the company will be bundled into one (1) bundle share. In a later stage, the number of shares representing the company's share capital will be adapted in the by-laws (i.e. divided by 100).

(2) In FY 2008-2009 the Appointment and Remuneration Committee decided that all beneficiaries of the "Warrants 2007" had to forsake the grant and that the "Warrants 2007" expired at the moment the new stock option plan, referred to as "Warrants 2008" was issued. 490.000 warrants were not forsaken and remain granted

	Warrants	Expiry date	Share price at grant date	Exercise price	Weighted fair value at grant date
Warrants 2007	490.000	03/07/2017	0,47	0,48	0,15
Warrants 2008	21.090.000	12/07/2018	0,24	0,26	0,08
Merger warrants 2005	587.500	30/09/2015	0,25	0,20	0,09
Merger warrants 2006	587.500	30/09/2016	0,25	0,21	0,09
Merger warrants 2007	587.500	30/09/2017	0,25	0,26	0,08

The Warrants were priced using the Black & Scholes model. Where relevant, the maturity date in the model has been adjusted based on the conditions of the different plans. For the merger warrants it is assumed that the warrants are equally exercised over the different alternatives, except for the merger warrants 2006, where the first alternative has expired. The risk-free rate used in the model is 3,47%. Expected volatility is based on the historical share price volatility and is set at 30%.

Warrants 2007

On July 3, 2007, the Board of Directors created 14.440.000 warrants, named "Warrants 2007", within the framework of a stock option plan for certain key-employees. The Warrants 2007 have partly been granted at issuance to executives of the Company, partly been subscribed the Company in order to be subsequently granted to certain key-employees, who all accepted their Warrants 2007. These Warrants 2007 were created in the framework of the authorized capital by the Board of Directors on July 3, 2007. The key features of the Warrants 2007 can be summarized as follows:

- Stock Option Plan: The Warrants 2007 are issued in the framework of a stock option plan substantially for employees and, in secondary order, for other members of the senior executive management of the company. The appointment and remuneration committee of the company is responsible for the administration of the stock option plan and can impose additional terms, if any, at the time of the offer of the warrants.
- Form of the Warrants 2007: The Warrants 2007 are issued in registered form.
- Warrants on share: Each warrant entitles the holder thereof to subscribe to one new RealDolmen share ("REAT", ISIN 0003732469).

The general meeting of February 10, 2009 has decided to consolidate the company's shares, whereby hundred (100) existing shares of the company ("REAT", ISIN 0003732469) will be bundled into one (1) bundle share (REA ISIN BE0003899193). In accordance with the decision of the General Meeting, as from the effective date of the Share Consolidation, the number of shares to be issued following the exercise of Warrants 2007 will be adapted in order to reflect the consolidation ratio.

- Shares: The shares to be issued upon exercise of the Warrants 2007 will have the same rights and benefits as the existing shares of the company. The shares will participate in the result of the company as of and for the full financial year in which they will be issued. The new shares will not benefit from the right to reduced withholding tax rate, i.e. the so-called "VVPR" status.
- Issuance price: The Warrants 2007 are offered for free.
- Exercise price: The exercise price of the Warrants 2007 will be equal to the average of the closing prices of the company shares as quoted on Euronext Brussels during the 30 day period preceding the date on which the Warrants 2007 are issued by the board of directors.
- Term: Unless the stock option agreement determines a shorter duration, the Warrants 2007 have a term of five years as from the date on which the Warrants 2007 are issued by the Board of Directors of the company.
- Vesting policy: The Warrants 2007 granted to a selected participant shall vest (become definitively exercisable) in three instalments of 1/3 each on the date of grant and on the first and second anniversary of the date of grant. If the above instalments result in a number with figures after the comma, the number obtained by granting the above-mentioned percentages will be rounded down. The Board of Directors will, however, accelerate the vesting of the Warrants 2007 in case of a change of control over the company. Upon termination of the employment or consultancy agreement, the Warrants 2007 will stop vesting (unless stipulated otherwise by the appointment and remuneration committee).
- Exercise period: Warrants 2007 which have vested can only be exercised during the following periods: annually, during the term of the Warrants 2007, between April 1 and April 15, between June 1 and June 15, between September 1 and September 15 and between December 1 and December 15. The Board of Directors may provide for additional exercise periods.
- Increase of the share capital: Upon exercise of the Warrants 2007 and the issuance of new shares of the company, the exercise price of the Warrants 2007 will be allocated to the share capital of the company. To the extent that the amount of the exercise price of the Warrants 2007 per share to be issued upon

exercise of the Warrants 2007 exceeds the par value of the shares of the company existing immediately preceding the exercise of the Warrants 2007 concerned, a part of the exercise price per share to be issued upon exercise of the Warrants 2007, equal to such par value shall be booked as share capital, whereby the balance shall be booked as issuance premium. The issuance premium, if any, shall serve as guarantee for third parties in the same manner as the company's share capital and shall be booked on an unavailable account that can only be decreased or booked away pursuant to a resolution of a general shareholders' meeting passed in the manner required for an amendment to the company's articles of association. In view of the creation of the Warrants 2008 (see below), 13.950.000 of the Warrants 2007 issued on July 3, 2007 have been cancelled and have therefore elapsed. A total of 490.000 "Warrants 2007" remain. No Warrants 2007 have been exercised during the discussed period.

- The Warrants 2007 have been extended for a period of five years.

Warrants 2008

On July 12, 2008, the Board of Directors in the framework of the authorized capital has issued 21,090,000 Warrants 2008, for grant to employees and, in secondary order, consultants, all members of the senior executive management of the Business.

The key features of the Warrants 2008 can be summarized as follows:

- Stock Option Plan: The Warrants 2008 are issued in the framework of a stock option plan substantially for employees and, in secondary order, for other members of the senior executive management of the Company. The Nomination and Remuneration Committee of the Company will be responsible for the administration of the stock option plan and will be able to impose additional terms, if any, at the time of the offer of the warrants.
- Form of the Warrants 2008: The Warrants 2008 have been issued in registered form.
- Warrants on shares of the Company: Each warrant entitles the holder thereof to subscribe to one (1) new share of the Company ("REAT", ISIN 0003732469).

The general meeting of February 10, 2009 has decided to consolidate the company's shares, whereby hundred (100) existing shares of the company ("REAT", ISIN 0003732469) will be bundled into one (1) bundle share (REA ISIN BE0003899193). In accordance with the decision of the General Meeting, as from the effective date of the Share Consolidation, the number of shares to be issued following the exercise of Warrants 2007 will be adapted in order to reflect the consolidation ratio.

- Shares: The shares to be issued upon exercise of the Warrants 2008 will have the same rights and benefits as the existing shares of the Company. The shares will participate in the result of the Company as of and for the full fiscal year in which they will be issued. The new shares will, upon issuance, as far as possible dividends are concerned, benefit from the right to reduced withholding tax rate, i.e. the so-called "VVPR" status. As the case may be, such VVPR-rights can be incorporated in a separate instrument. The Company will request the admission to listing of the new shares to the Eurolist by Euronext Brussels.
- Cancellation of preferential subscription right of the shareholders: The Board of Directors proposes to cancel the preferential subscription right of the existing shareholders in accordance with Article 596, and in as far as needed, Article 598 of the Belgian Company Code in order to reserve the Warrants 2008 to the selected participants under the stock option plan.
- Issuance price: The Warrants 2008 will be offered for free.
- Exercise price of the warrants: To the extent the Warrants 2008 are granted to employees of the Company, the exercise price of the Warrants 2008 amounts to €0,26, equal to the average of the closing prices of the Shares as traded on Euronext Brussels during the thirty (30) day period preceding the Adoption Date.
- Term: Unless the stock option agreement determines a shorter duration, the Warrants 2008 have a term of five (5) years as from the date on which the Warrants 2008 are issued by the Board of Directors of the Company.
- Vesting policy: The Warrants 2008 granted to a selected participant shall vest (become definitively exercisable) in three instalments of 1/3 each on the date of grant and on the first and second anniversary of the date of grant. If the above instalments result in a number with figures after the comma, the number obtained by granting the above-mentioned percentages will be rounded down. The Board of Directors will, however, accelerate the vesting of the Warrants 2008 in case of a change of control over the Company, as defined in the terms and conditions attached hereto as Annex A. Upon termination of the employment or consultancy agreement, the Warrants 2008 which have been vested on or before that date will, as of the date of that termination be exercisable and the other Warrants 2008 will, at that same date lapse and become null and void.

- Exercise period: Warrants 2008 which have vested can only be exercised during the following periods: annually, during the term of the Warrants 2008, annually, during the term of the Stock Options, between August 1 and August 31, between December 1 and December 20 and between May 15 and June 15. The Board of Directors may provide for additional exercise periods.
- Increase of the share capital of the Company: Upon exercise of a Stock Option and issue of a new Share in accordance with the terms and conditions of the Plan, the Exercise Price of the Stock Option will be allocated to the share capital of the Company. However, to the extent that the amount of the Exercise Price of the Stock Option exceeds the fraction value of the Shares immediately preceding the exercise of the Stock Option concerned, a part of the Exercise Price equal to such fraction value shall be booked as share capital, whereby the balance, if any, shall be booked as issue premium. The issue premium, if any, shall serve as guarantee for third parties in the same manner as the Company's share capital and shall be booked on an unavailable account that can only be decreased or booked away pursuant to a resolution passed in the manner required for an amendment to the Company's articles of association (statuten/statuts). No Warrants 2008 have been exercised during the discussed period.
- The Warrants 2008 have been extended for a period of five years.

Merger warrants

On September 1, 2008, at the occasion of the merger by absorption of Dolmen Computer Applications NV, the Company has issued so-called Merger Warrants. At the time of the merger, Dolmen had issued four classes of still (partly) exercisable so-called Dolmen Warrants which, subject to the due exercise of the concerned warrants pursuant to the respective applicable terms and conditions, entitled the beneficiaries thereof to acquire Dolmen shares. It was decided to grant the former Dolmen Warrantholders warrants in the Company, called "Merger Warrants", entitling them to acquire Company shares, governed by terms and conditions that mirror the terms and conditions that applied to the former Dolmen warrants.

The key features of the Merger Warrants can be summarized as follows:

- Stock Option Plan: Given the dissolution of Dolmen, the Board of Directors of Real Software, the acquiring company under the Merger, decided to offer to the Dolmen Warrantholders warrants in RealDolmen, called "Merger Warrants", entitling the Dolmen Warrantholders to acquire RealDolmen shares, governed by terms and conditions that mirror the terms and conditions that apply to the respective Dolmen warrants. In order to be able to grant the Merger Warrants to the selected participants, the Board of Directors decided to cancel the preferential subscription rights of the existing shareholders. The Merger Warrants replace four classes of still (partly) exercisable warrants (collectively the "Dolmen Warrants"), with each different exercise prices. For each class of Merger Warrants, the number of Merger Warrants that will be issued is determined by multiplying the number of outstanding and still exercisable corresponding class of Dolmen Warrants by fifty.
- Form of the Merger Warrants: The Merger Warrants shall be issued in registered form.
- Warrants on shares of the Company: Each warrant entitles the holder thereof to subscribe to one (1) new share of RealDolmen NV ("REAT", ISIN 0003732469).

The general meeting of February 10, 2009 has decided to consolidate the company's shares, whereby hundred (100) existing shares of the company ("REAT", ISIN 0003732469) will be bundled into one (1) bundle share (REA ISIN BE0003899193). In accordance with the decision of the General Meeting, as from the effective date of the Share Consolidation, the number of shares to be issued following the exercise of Warrants 2007 will be adapted in order to reflect the consolidation ratio.

- Shares: The shares to be issued upon exercise of the Merger Warrants will have the same rights and benefits as the existing shares of the RealDolmen. The shares will participate in the result of the Company as of and for the full fiscal year in which they will be issued.
- Cancellation of preferential subscription right of the shareholders: The Board of Directors decided to cancel the preferential subscription right of the existing shareholders in accordance with Article 596, and in as far as needed, Article 598 of the Belgian Company Code in order to reserve the Merger Warrants to the selected participants under the stock option plan.
- Issuance price: The Merger Warrants will be offered for free.
- Exercise price of the Merger Warrants: To the extent the Merger Warrants are granted to the Dolmen Warrantholders, the exercise price of each class of Merger Warrants is determined by dividing the exercise price applying to the corresponding class of Dolmen Warrants by fifty.
- Term: Each class of Merger Warrants has a term of five years as from the date on which the Dolmen Warrants have been issued by the Board of Directors of Dolmen (see table).
- Vesting policy: Each class of Merger Warrants granted to a selected participant shall vest (become definitively exercisable) at the dates mentioned in the table. Upon termination of the employment or

consultancy agreement, the Merger Warrants which have been vested on or before that date will, as of the date of that termination be exercisable and the other Merger Warrants will, at that same date lapse and become null and void. The vesting policy of the Merger Warrant is the same as the original Dolmen Warrant.

- Exercise period: The exercise period depends on the class of Merger Warrant. We refer for the details to the table below. The Board of Directors may provide for additional exercise periods. The exercise period of the Merger Warrant is the same as the original Dolmen Warrant.
- Increase of the share capital of the Company: Upon exercise of a Merger Warrants and issue of a new share in the Company, the exercise price of the concerned Merger Warrants will be allocated to the share capital of the Company. To the extent that the amount of the exercise price of the Merger Warrants exceeds the fractional value of the shares of the Company immediately preceding the exercise of the Merger Warrants concerned, a part of the exercise price equal to such fraction value shall be booked as share capital, whereby the balance, if any, shall be booked as issuance premium. The issuance premium, if any, shall serve as guarantee for third parties in the same manner as the Company's share capital and shall be booked on an unavailable account that can only be decreased or booked away pursuant to a resolution of a general shareholders' meeting passed in the manner required for an amendment to the Company's articles of association. Following the issue of the shares and the capital increase resulting there from, each of the Company's issued and outstanding shares representing the Company's share capital shall represent the same fraction of the Company's share capital.
- The Merger Warrants 2005, 2006 and 2007 have been extended, each for a period of 5 years.

	Merger Warrants 2005	Merger Warrants 2006	Merger Warrants 2007
Number of Dolmen warrants	11.750	11.750	11.750
Exercise price Dolmen Warrants	€9,98	€10,50	€12,81
Number of Merger warrants	587.500	587.500	587.500
Exercise price of Merger warrants	€0,20	€0,21	€0,26
Vesting policy	January 1, 2009 – January 30, 2009 (Alternative A) or September 1, 2010 – September 30, 2010 (Alternative B)	January 1, 2010 – January 30, 2010 (Alternative A) or September 1, 2011 – September 30, 2011 (Alternative B)	January 1, 2011 – January 30, 2011 (Alternative A) or September 1, 2012 – September 30, 2012 (Alternative B)
Extended exercise period	End of February 2014 (Alternative A) or end of October 2015 (Alternative B)	End of February 2015 (Alternative A) or end of October 2016 (Alternative B)	End of February 2016 (Alternative A) or end of October 2017 (Alternative B)

NOTE 33 - POST BALANCE SHEET FACTS

Convertible Bond

RealDolmen NV announces that it has paid back the entire outstanding balance of €36.1 million of its 2% senior unsecured convertible notes with redemption price of 118.44% at the maturity date of 15 July 2012.

New Financing

The company has also arranged new financing with a major bank and has used a first line of credit of €11 million for a fixed 3 year period. These credit lines are secured by the usual collateral.

Capital decrease and increase

The extraordinary general meeting of RealDolmen took place today. The shareholders approved all the proposed decisions:

- to reduce the capital in accordance with articles 620, 623, 624 and 625 of the Belgian Company Code with an amount of €2,523,556.27 and to destroy 145,389 acquired own shares purchased in spite of article 617 of the Belgian Company Code;
- to increase the capital with an amount of €2,523,556.32 through incorporation of the issuance premium to €32,193,100.00 without issuance of new shares;
- to establish that the aforementioned capital increase and capital reduction have been realized and that the share capital remains at €32,193,100.00;
- to renew the authorization of the Board of Directors to increase the share capital as referred to in Article 603 of the Belgian Company Code by a maximum amount equal to the share capital of the Company as of the day of the present meeting, being €32,193,100.00 for a term of 5 years as of the date of publication of the concerned decision of the General Meeting and to renew the authority to increase the shared capital in the event of a public takeover bid for a period of 3 years, as of July 20, 2012;
- to approve the non-application of the provisions in the above-mentioned Article 520ter for the financial year 2012-2013.

Litigation terminated

Real Solutions SA, the Luxembourg subsidiary of the group, lost an arbitration case in which the final decision of 27 July 2012 obliges it to pay an €571,214.00 amount, to be increased with interest since 1999 and two thirds of the fees and expenses. The amount was for the main part provisioned.

NOTE 34 - RELATED PARTY TRANSACTIONS

Transactions

Transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below and concern commercial transactions done at prevailing market conditions.

Trading transactions with related parties

	Operating revenue		Purchase of goods & services	
	31/03/2012	31/03/2011	31/03/2012	31/03/2011
	EUR '000	EUR '000	EUR '000	EUR '000
Colruyt Group	4.570	3.299	604	504
Matexi Group	10	0	7	80

Outstanding balances with related parties

	Amounts owed by related party		Amount owed to related party	
	31/03/2012	31/03/2011	31/03/2012	31/03/2011
	EUR '000	EUR '000	EUR '000	EUR '000
Colruyt Group	875	7.353	100	90
Matexi Group	0	0	10	1

Balance

Colruyt Group is considered as a related party since they have at least a significant influence on RealDolmen Group and have control over the Colruyt Group. Matexi Group is considered as a related party since they have at least a significant influence on RealDolmen Group.

The decrease in the outstanding balance with Colruyt group is due to 2 large hardware deals that were already invoiced upfront at the end of the previous year.

Operating revenue with related parties relates to the sale of hard- and software and services. The costs accounted for with related parties all relate to services and other goods.

Remuneration

Remuneration and benefits paid to Directors and Executive Management.

	31/03/2012	31/03/2011
	EUR '000	EUR '000
Number of persons	13	16
Short-term employee benefits		
Basic remuneration	*1.902*	*1.828*
Variable remuneration	*895*	*820*
Expense allowances	*54*	*55*
Post-employment benefits		
Defined-contribution pension plan	*158*	*134*
Total gross remuneration	**3.009**	**2.836**
Average gross remuneration per person	231	177
Number of subscription rights and options granted (stock option plans)	233.425	233.425

NOTE 35 - FINANCIAL INSTRUMENTS

Categories of financial instruments

	31/03/2012		31/03/2011	
	Carrying amount	Fair value	Carrying amount	Fair value
	EUR '000	EUR '000	EUR '000	EUR '000
Financial assets				
Fair value through profit or loss (FVTPL)				
Held for trading	0	0	3.022	3.022
Loans and receivables				
Finance lease receivables	297	281	493	440
Other financial assets	2.000	2.000	0	0
Cash	49.625	49.625	54.441	54.441
Trade and other receivables	79.417	79.417	86.439	86.439
Total financial assets	**131.339**	**131.323**	**144.395**	**144.342**
Financial liabilities				
Measured at amortised cost				
Convertible loan notes	41.441	42.658	44.884	50.520
Obligations under finance lease	1.983	1.909	2.452	2.443
Bank loans, other borrowings and bank overdrafts and loans	7.629	7.617	7.310	7.188
Trade and other payables	66.406	66.406	87.531	87.531
Total financial liabilities	**117.459**	**118.590**	**142.177**	**147.682**

The comparitive figures as per March 31, 2011 have been restated in order to reflect the fair value, using a market conform interest rate.

The Group does not hold any loans or receivables that are designated as at fair value through profit and loss.

The outstanding amount of convertible loan issued July 16, 2007 will be paid in full at maturity date (July 16, 2012), unless previously converted. The conditions for the conversion are stated in note 23. Every half year interest is paid to the bondholders on January 16 and July 16 for an amount of 361 K EUR per half year.

Fair value of financial instruments

In accordance with IFRS 7 financial derivates are brought under in 3 levels:

- Level 1 relates to fair value determination based on quoted prices in active markets for identical assets or liabilities;
- Level 2 relates to fair value determination based on inputs other than quoted prices included within Level 1 that are observable for the asset or liability;
- Level 3 relates to fair value determination based on inputs for the asset or liability that are not based on observable market data;

The fair value of financial fixed assets classified as held for trading is defined, publication of bonds as per March, 31st 2012 is classified under level 1.

The Group considers that the carrying amounts of financial assets and financial liabilities recognised in the financial statements is not materially different from their fair values, except for the convertible loan notes with a net book value of €41,4m versus a fair value of €42,2m.

Financial risk management

The Group has limited exposure to credit risk, liquidity risk, foreign currency risk and interest rate risk.

A. Credit risk

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in a financial loss to the Group. Therefore, the Group has credit policies in place and the exposure to counterparty credit risk is monitored. This credit risk can be split up into a commercial risk and a financial risk..

1. Commercial credit risk

The commercial credit risk is monitored through credit policies. RealDolmen's customer base only includes mid-sized and big customers operating under the form of a legal entity, for which financial information is publicly available. The customer database is quite stable and the payment history is closely monitored by the Group's credit and collection department. In case of new customers, a credit rating report is reviewed before the customers is accepted.

The maximum exposure to credit risk equals the carrying amount of each receivable.

The movement of the doubtful debtors for the accounting year amounts to a reversal of €545k, detailed in note 18. The movement of the doubtful debtors is included in the line 'Provisions and allowances', as detailed in note 7.

See also note 18 on trade receivables and other receivables for an ageing analysis of the accounts receivable.

2. Financial credit risk

The carrying amount of the financial assets recorded in the financial statements, which is the net of impairment losses, represents the Group's maximum exposure to credit risk.
We refer to note 24 Obligations under finance lease, Note 25 Bank loans and other borrowings and note 28 Trade and other payables for more details..

B. Liquidity risk

Ultimate responsibility for liquidity risk rests with the Finance Committee and the Treasury Management. The Treasury Management monitors closely the liquidity of each company of the Group through detailed cash planning and forecasting. This is mainly done through a system of cash pooling to limit the excess or the lack of cash within the companies of the Group.

Factoring is used in some companies to improve the liquidity position. The factoring agreement does not carry a significant risk as the risk is limited to 5 % of the total receivables transferred.

C. Foreign currency risk

The Group has as functional currency the EURO and operates solely in EURO-countries. The Group does not buy or sell goods or services in another currency.

D. Interest rate risk

The Group has limited exposure to interest rate risk as it has only borrowings with fixed interest rate, except for the loan related to factoring which is based on a floating rate (EURIBOR 3 months). A sensitivity analysis has been performed in order to assess the exposure of the Group to market interest rate changes. The interest sensitivity is immaterial.

NOTE 36 - FIXED PRICE CONTRACTS

We refer to Note 3 for the revenue recognition criteria for fixed price contracts.

Costs incurred plus profits recognised less losses recognised, and intermediate invoicing are determined on a contract-by-contract basis. If this amount is positive it is shown on the line "Fixed price contracts - assets". If this amount is negative it is shown on the line "Fixed price contracts - liabilities".

	31/03/2012 EUR '000	31/03/2011 EUR '000
Balance sheet data		
Fixed price contracts - assets [1]	2.700	1.209
Fixed price contracts - liabilities [2]	-527	-541
Fixed price contracts, net	**2.173**	**669**
Total income and expenses to date recognised on fixed price contracts		
Costs incurred plus profits recognised, less losses recognised to date	8.284	9.049
Less invoices issued	-6.111	-8.381
Fixed price contracts, net	**2.173**	**669**

(1) *This amount is included in the line "Gross amount trade receivables" in note 18.*
(2) *This amount is included in the line "Third party contracts in progress" in note 28.*

NOTE 37 - CONDENSED FINANCIAL STATEMENTS REALDOLMEN NV AS PER MARCH 31, 2012

	code	31-03-12	31-03-11
ASSETS			
FIXED ASSETS	**20/28**	**73.098.567**	**81.193.786**
Formation expenses	20	6.475	28.100
Intangible fixed assets	21	39.225.177	47.024.597
Tangible fixed assets	22/27	10.222.313	10.479.637
Financial Fixed assets	28	23.644.602	23.661.451
CURRENT ASSETS	**29/58**	**111.921.367**	**133.764.716**
Amounts receivable after more than one year	29	0	0
Stocks and contracts in progress	3	9.891.368	18.222.107
Amounts receivable within one year	40/41	57.657.158	66.849.137
Current investments	50/53	991.943	0
Cash at bank and in hand	54/58	42.343.469	47.765.669
Deferred charges and accrued income	490/1	1.037.428	927.802
TOTAL ASSETS	**20/58**	**185.019.933**	**214.958.502**
EQUITY AND LIABILITIES			
EQUITY	**10/15**	**80.710.952**	**79.831.408**
Capital	10	32.193.100	32.193.100
Share premium account	11	43.268.269	45.791.826
Revaluation surpluses	12		
Reserves	13	5.051.183	4.944.285
Accumulated profits (losses)	14	178.394	-3.118.739
Investment grants	15	20.005	20.936
PROVISIONS AND DEFERRED TAXES	**16**	**1.981.714**	**2.368.856**
Provisions for liabilities and charges	160/5	1.262.693	1.699.565
Deferred taxes	168	719.021	669.291
AMOUNTS PAYABLE	**17/49**	**102.327.267**	**132.758.238**
Amounts payable after more than one year	17	1.461.888	51.055.023
Amounts payable within one year	42/48	94.654.788	75.725.077
Deferred income and accrued charges	492/3	6.210.591	5.978.139
TOTAL LIABILITIES	**10/49**	**185.019.933**	**214.958.502**

	code	31-mrt-12	31-mrt-11
INCOME STATEMENT			
Operating income	70/74	211.361.452	193.031.671
Operating charges	60/64	204.079.038	186.768.822
Operating profit (loss)	9901	7.282.414	6.262.849
Financial income	75	662.281	1.907.127
Financial charges	65	4.376.404	4.089.365
Gain (loss) on ordinary activities before tax	9902	3.568.291	4.080.610
Extraordinary income	76	0	3.674.964
Extraordinary charges	66	81.529	4.775.397
Profit (loss) for the period before taxes	9903	3.486.762	2.980.177
Transfer from postponed taxes	780	88.160	51.474
Transfer to postponed taxes	680	137.891	205.537
Income taxes	67/77	33.000	17.550
Profit (loss) for the period	9904	3.404.032	2.808.565
Transfer from untaxed reserves	789	170.280	98.991
Transfer to untaxed reserves	689	267.789	399.161
Profit (loss) for the period available for appropriation	9905	3.306.522	2.508.396
APPROPRIATION ACCOUNT			
Profit (loss) to be appropriated	9906	187.784	-3.118.739
Gain (loss) to be appropriated	(9905)	3.306.522	2.508.396
Profit (loss) to be carried forward	14P	-3.118.739	-5.627.135
Transfer from capital and reserves	791/2		
Tranfer to capital and reserves	691/2	9.389	
Profit (loss) to be carried forward	(14)	178.394	-3.118.739
Profit to be distributed	694/6		

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RealDolmen NV

Statutory auditor's report
on the consolidated financial statements
for the year ended 31 March 2012

The original text of this report is in Dutch

Deloitte Bedrijfsrevisoren /
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Berkenlaan 8b
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RealDolmen NV

Statutory auditor's report on the consolidated financial statements for the year ended 31 March 2012 to the shareholders' meeting

To the shareholders

As required by law and the company's articles of association, we are pleased to report to you on the audit assignment which you have entrusted to us. This report includes our opinion on the consolidated financial statements together with the required additional comments and information.

Unqualified audit opinion on the consolidated financial statements

We have audited the accompanying consolidated financial statements of RealDolmen NV ("the company") and its subsidiaries (jointly "the group"), prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium. Those consolidated financial statements comprise the consolidated statement of financial position as at 31 March 2012, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, as well as the summary of significant accounting policies and other explanatory notes. The consolidated statement of financial position shows total assets of 266.676 (000) EUR and the consolidated income statement of comprehensive income shows a consolidated profit (group share) for the year then ended of 7.271 (000) EUR.

The board of directors of the company is responsible for the preparation of the consolidated financial statements. This responsibility includes among other things: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with legal requirements and auditing standards applicable in Belgium, as issued by the "Institut des Réviseurs d'Entreprises/Instituut van de Bedrijfsrevisoren". Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

In accordance with these standards, we have performed procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we have considered internal control relevant to the group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the group's internal control. We have assessed the basis of the accounting policies used, the reasonableness of accounting estimates made by the company and the presentation of the consolidated financial statements, taken as a whole. Finally, the board of directors and responsible officers of the company have replied to all our requests for explanations and information. We believe that the audit evidence we have obtained provides a reasonable basis for our opinion.

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 Limited

Deloitte.

In our opinion, the consolidated financial statements give a true and fair view of the group's financial position as of 31 March 2012, and of its results and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the EU and with the legal and regulatory requirements applicable in Belgium.

Additional comments and information

The preparation and the assessment of the information that should be included in the directors' report on the consolidated financial statements are the responsibility of the board of directors.

Our responsibility is to include in our report the following additional comments and information which do not change the scope of our audit opinion on the consolidated financial statements:

- The directors' report on the consolidated financial statements includes the information required by law and is in agreement with the consolidated financial statements. However, we are unable to express an opinion on the description of the principal risks and uncertainties confronting the group, or on the status, future evolution, or significant influence of certain factors on its future development. We can, nevertheless, confirm that the information given is not in obvious contradiction with any information obtained in the context of our appointment.
- We draw your attention to note 4 – *Critical accounting judgements* and note 12 – *Goodwill* of the consolidated financial statements, which describe the impairment testing on goodwill, the sensitivity analysis and the assumptions that are relevant therein. The realisation of the business plan used in the impairment testing is essential to support the carrying amount of the goodwill.
- The acquisition of own shares dating February 2012 was done taking into account both the profit of the current financial year as well as the accumulated result of the previous financial year. The board of directors therefore decided, in accordance with articles 617, 620, 623, 624 en 625 of the Companies Code, to destroy these shares and to attribute this cancellation to the equity via a capital decrease, which out of prudency, was accounted for in the consolidated financial statements of 31 March 2012, pending the formal approval of the extraordinary shareholders meeting of 20 July 2012.

Diegem, 30 July 2012

The statutory auditor

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

6 Report from the board of directors to the general shareholders meeting

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

ANNUAL REPORT FROM THE BOARD OF DIRECTORS TO THE GENERAL SHAREHOLDERS' MEETING

Dear shareholder,

We are honored to submit to you the report on the financial year ending on March 31, 2012.

6.1 Financial data

The balance sheet total as per March 31, 2012 was 185.020 KEUR, compared to 214,959 KEUR for the year ended March 31, 2011.

The decrease in intangible assets is mainly the result of the depreciation of the existing merger goodwill.

Current assets show a decrease from 133,765 KEUR to 111,921 KEUR, which is mainly the result of the following effects: decreased level of cash with 5,4 MEUR. As per March 31, 2011 RealDolmen had closed 2 large hardware deals. Although the delivery of the goods took place in April 2011, the goods had already left the warehouse of the supplier as per March 31, 2011, hence they were accounted for in the books of RealDolmen as inventory for an amount of 7.7 MEUR as per March 31, 2011. Nevertheless a large part of these deals were already invoiced in advance as per March 31, 2011, for a total amount of 6.9 MEUR. This explains the large decrease in stock and accounts receivable as per March 31, 2012 compared to March 31, 2011. The other amounts receivable less than one year mainly relate to intercompany receivables and foreign receivable VAT.

The deferred charges encompass mainly costs relating to support contracts with suppliers on own hardware and software to be spread over different accounting periods.

The increase in equity of 0,9 MEUR is mainly the result of realized profit available for appropriation of 3,307 KEUR during the financial year ending March 31, 2012, compensated by the capital reduction of 2,524 KEUR, due to the cancellation of 145,389 own treasury shares, followed by an incorporation of part of the share premium for the same amount. In accordance with Article 604 of the Belgian Company Code a special report of the Board of Directors has been drafted. The report relates to the proposal to renew the powers of the board of directors to increase the Company's share capital within the framework of the authorized capital. This proposal will be submitted to the general shareholders' meeting which will be held on July 2, 2012 and in the event the required quorum is not attained at this meeting, it will take place for final vote on July 20, 2012.

In accordance with Article 604 of the Belgian Company Code, in this special report, the board of directors explains the circumstances in which the board of directors will be able to use its powers under the authorized capital and the purposes for which the board of directors can use these powers.

The total debt position of the Company decreased from 132,758 KEUR to 102,327 KEUR, of which 42,670KEUR are short term financial debts, mainly related to the convertible bond. On January 20, 2012 part of the convertible bond has been bought back for a nominal value of 7,4 mio EUR of the 43,5 mio EUR 2% senior unsecured convertible notes with redemption price of 118,44% (corresponding to 5,25% per annum yield) coming to maturity in July 2012. This part was bought back at a purchase price of 8,7 mio EUR (corresponding to 117,44% of their facing value, including the last 1% coupon due in July 2012), realizing a loss of 81 KEUR. The purchased convertible bonds will be cancelled, following which the convertible bond has a remaining outstanding value of 42,3 mio EUR. The remaining

short term debt, including accrued expenses and deferred income, decreased from 81,703 KEUR to 58,196 KEUR. Deferred revenue primarily relates to the turnover on maintenance contracts. Resulting from the 2 hardware deals last year as mentioned under the current assets, the last year' short term debts included an amount of 7.7 MEUR of unpaid suppliers created at year-end, together with the advance billing of 6.9 MEUR. This explains the strong decrease compared to last year of the short term debts.

The operating profit increased from 6,263 KEUR to 7,282 KEUR. Financial income of 662 KEUR mainly includes dividends and interests realized on the cash at hand. Financial charges of 4,376 KEUR are mainly interest charges on the convertible bond (2,535 KEUR), amortized costs relating to the convertible bond (400 KEUR) and the interest costs relating to the operating lease of cars (1,060 KEUR).

Last year's extraordinary result related to the capital increase of Oriam SA through a contribution in kind of the current account between RealDolmen and Oriam SA (of 1,100 KEUR) during the last year, followed by the sale of the participation to Airial SAS for 1 EUR. These two transactions resulted in an extraordinary income of 3,675 KEUR (being the reversal of previously recognized impairment on the participation with Oriam), compensated by an extraordinary cost of 4,775 KEUR resulting from the sale of the participation to Airial SAS (being the initial acquisition value of 3,675 KEUR and the new participation of 1,100 KEUR).

The extraordinary charges for financial year 2011-2012 relate to the realized loss on the buy-back of part of the Convertible Bond in January 2012.

6.2 Post balance sheet events

Convertible Bond: RealDolmen NV announces that it has paid back the entire outstanding balance of €36.1 million of its 2% senior unsecured convertible notes with redemption price of 118.44% at the maturity date of 15 July 2012.

New Financing: The Company has also arranged new financing with a major bank and has used a first line of credit of €11 million for a fixed 3 year period. These credit lines are secured by the usual collateral.

Capital decrease and increase: The shareholders approved all the proposed decisions at the Extraordinary General Meeting of 20 July 2012:

- to reduce the capital in accordance with articles 620, 623, 624 and 625 of the Belgian Company Code with an amount of €2,523,556.27 and to destroy 145,389 acquired own shares purchased in spite of article 617 of the Belgian Company Code;
- to increase the capital with an amount of €2,523,556.32 through incorporation of the issuance premium to €32,193,100.00 without issuance of new shares;
- to establish that the aforementioned capital increase and capital reduction have been realized and that the share capital remains at €32,193,100.00;
- to renew the authorization of the Board of Directors to increase the share capital as referred to in Article 603 of the Belgian Company Code by a maximum amount equal to the share capital of the Company as of the day of the present meeting, being €32,193,100.00 for a term of 5 years as of the date of publication of the concerned decision of the General Meeting and to renew the authority to increase the shared capital in the event of a public takeover bid for a period of 3 years, as of July 20, 2012;
- to approve the non-application of the provisions in the above-mentioned Article 520ter for the financial year 2012-2013.

Litigation terminated: Real Solutions SA, the Luxembourg subsidiary of the group, lost an arbitration case in which the final decision of 27 July 2012 obliges it to pay an €571,214.00 amount, to be increased with interest since 1999 and two thirds of the fees and expenses. The amount was for the main part provisioned.

6.3 Conflicts of interest and related-party transactions

Articles 523, 524 and 524ter 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.

6.4 Risk factors

The executive management provides an internal control and risk management framework, supervised by the Board of Directors. The Board of Directors assesses the implementation of this framework and therefore relies on advice of the Audit committee. The main risk factors are described hereafter, both financial and operational, which are typical of the activities of the group:

- **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, and to pressure on the sales prices. 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:

- 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 our margins, profitability and market share.

- **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 slows down due to a challenging 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.

- **Internal IT systems**

Our business depends also on internal IT systems. Malfunctioning might cause problems or even (partial) loss of data. To prevent problems and to safeguard continuity, making backups and maintenance of the systems are part regular part of the internal IT process.

- **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. With a good order book at hand our focus is on hiring people under challenging job market conditions in the current 'war for talent'-environment.

We have trade union representatives and strive to a positive and constructive social climate. Nevertheless social actions might affect the business and have a negative effect on the activities.

- **Successfully deploy the RealDolmen DataCenter**

Success will depend on our ability to continuously invest in our data center, operational since September 2010, in the coming years and to find enough clients to have sufficient used capacity. This means that RealDolmen can focus on further developing, supplying and optimising its range of services for data centre outsourcing With these investments, RealDolmen is also addressing the shift to 'cloud computing'. This means that ICT resources are no longer bought and installed at a Company's site, but purchased instead as an Internet service from an external supplier, allowing companies to deal more flexibly with ICT and to convert their investment costs into operational costs. Nevertheless, services, solutions and technologies developed by competitors may make our service or solution offerings uncompetitive or obsolete and can have an adverse effect on our operating results and market position.

- **Dependency on sales successes**

The operating plan of 2012/2013 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 world economy is still suffering the aftermath of the crisis and new financial and political crises are 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

- **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. We cannot exclude product liability, and even suffer from a negative impact on our reputation, We concluded insurance policies inclusively recall risks.

- **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.

- **Regulatory risks**

We are subject to national and international laws and regulations. As a result of the listing on Euronext RealDolmen is also subject to the legislation on publication and insider trading. We strive to be compliant with this legislation. Changes in the legal framework applicable, might affect the processes and might need further administrative care.

- **Force Majeure risks**

Force majeure risks are not avoidable. Some might be covered by insurances. If necessary we might manage by using own cover to overcome. Contractual clauses might foresee execution to be (temporary) postponed.

6.5 Capital increases, issuance of voting securities, acquisition of own shares

During the financial year ended March 31, 2012 the Company acquired 203,854 own shares for a total amount of 3,500 KEUR. 145,389 own shares are void in accordance with Article 625 of the Belgian Company Law for an amount of 2,524 KEUR. 58,465 own shares (977 KEUR) remain valid and are accounted for on the face of the balance sheet.

The acquisition of own shares in February 2012 was done taking into account the profit of the year as well as the accumulated loss brought forward from last year.

The Board of Directors have decided to reduce the capital in accordance with Article 620, 623, 624 and 625 of the Belgian Company Code with an amount of 2,524 with destruction of 145,389 existing bundled shares of the Company; the capital reduction will exclusively be charged on the capital effectively paid up. This capital reduction will be followed by a capital increase of 2,524 KEUR through incorporation of the issuance premium.

This proposal will be submitted to the general shareholders' meeting which will be held on July 2, 2012 and in the event the required quorum is not attained at this meeting, it took place for final vote on July 20, 2012.

6.6 Use of financial instruments

During the financial year ended March 31, 2012 the Company did not make use of financial instruments in any way that could affect the assessment of its assets, liabilities or its financial position.

6.7 Allocation of the result

The annual accounts for the year closed with a profit before tax of €3,486,762 compared to €2,980,177 last year. The profit available for appropriation amounts to €3,306,522; In view of the accumulated loss brought forward from the previous year of €-3,118,739, the profit to be allocated amounts to €187,784.

6.8 Corporate Governance

The Board of Directors of RealDolmen requires that its members have the highest professional and personal ethics and values, consistent with RealDolmen's values and standards. Each of them has broad experience, is committed to enhancing the Company's value and should have sufficient time to carry out their duties and to provide insight and practical wisdom based on experience.

6.9 Looking forward over the coming twelve months

The economic environment requires us to remain careful as we experience mixed investment appetite during the last quarter of the fiscal year. Most of our Service indicators started to improve in the second half of last year and we have maintained them in the second half of this year, except for productivity as a consequence of the massive hiring effort. Headcount has also been growing with only limited impact on the past fiscal year's result. We therefore anticipate the current fiscal year's Services revenue growth to continue. Product revenue will probably be lower compared to last year. The strong products sales in last fiscal year and a lower visibility due to the nature of this business, especially in

the current economic uncertainty call for caution. For the current full year 2012/2013 we still anticipate growing mildly while slightly improving margins.

We remain confident that our leading market position and the strength of our single source offering, the benefit of the strategic projects in which we have continued to invest and our financial stability, even more critical in turbulent times, will allow us to continue to gain market share.

* *
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We confirm that the consolidated and non-consolidated financial statements and reports give a true and fair view and propose that these annual accounts should be approved, and the profit carried forward to next year.

In accordance with legal requirements, we request the General Meeting to discharge the Directors and the external auditors of their liability for the performance of their duties during the past year: this applies to Pamica NV, represented by Michel Akkermans, DR Associates BVBA, represented by Filip Roodhooft, Temad BVBA, represented by Thierry Janssen, All Together BVBA, represented by Bruno Segers, Jef Colruyt, Willem Colruyt, Gaëtan Hannecart and At Infinitum NV, represented by Dimitri Duffeleer.

Huizingen, May 25 2012

On behalf of the Board of Directors

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

7 Financial calendar

2012

Friday, 31 August 2012	Trading Update Q1 2012-2013
Wednesday 12 September 2012	Annual General Shareholders Meeting 2012
Friday, 30 November 2012	Announcement Biannual Results 2012-2013

2013

Thursday 28 February 2013	Trading update Q3 2012-2013
Thursday 30 May 2013	Announcement Annual results 2012-2013
Friday 30 August 2013	Trading update Q1 2013-2014
Wednesday 11 September 2013	Annual General Shareholders Meeting 2013