FY 2013-2014 press release

(Results for the year ended 31 March 2014)

- **4,2% year-over-year turnover growth with 5,5% turnover growth in Business Solutions, 12,5% growth in Infrastructure Products and flat in Professional Services**
- **€11,6m REBIT (4,7% margin)**
- **€1,3m goodwill impairment related to the announcement of exclusive negotiations started with a French IT Services company to take over our French operations**
- **Robust balance sheet structure with net cash situation (negative net debt)**

Marc De Keersmaecker, General Manager of RealDolmen, commented:
"*I am satisfied with our results, even if we strive for additional improvements*. *We achieved a decent turnover growth in a difficult market with overall REBIT margins back at historical levels. Our applications and infrastructure services business demonstrated good profitability, although growth was still slightly under pressure. These businesses progressed well in the delivery of high-end technical services to our clients. Our products business demonstrated strong growth, especially in the light of the long term decline of this lower margin market. The strategic shift of our Business Solutions division is slower than expected, showing growth but not yet demonstrating positive REBIT margin. Improvement also in this part of the business should follow soon.*
We have just announced that we entered in exclusive negotiations with a French IT Services company to transfer our Airial operations. This move is inspired by our intention to offer the best future to the employees and clients of our French business on a market and with offerings dominated by scale. Such offerings and market are strategically different from the single source offering to the local mid-market RealDolmen focusses on.
This year we have been ranked n°1 for Applications Development and Maintenance and Datacenter Outsourcing among all IT outsourcing companies in Belgium and Luxemburg as demonstrated by the Whitelane outsourcing client survey. Over 5 years we have consistently been in the top 3 of the survey.
Sustainable client satisfaction and employee satisfaction are the two pillars on which we want to build our continued success. For next year, we plan to grow our business at a pace faster than the market with REBIT margins around mid-single digit levels. We continue to invest in moving higher in the value chain while positioning ourselves as an employer of choice for our 1500 IT professionals."

Year-end results March 2014 versus March 2013

in m€	IFRS FY 31/03/2014	IFRS FY 31/03/2013	% Variation
Turn-over from continued operations	247,8	237,7	*4,2%*
Operating results before non-recurring (REBIT)	11,6	1,7	*566%*
Margin	*4,7%*	*0,7%*	
Non-recurring items	-1,3	-13,9	
Operating results continued operations (EBIT)	10,3	-12,2	
Margin	*4,2%*	*-5,1%*	
Net profit (loss)	9,0	-14,9	
EBITDA (1)	12,9	-9,3	
EBITDA Margin	*5,2%*	*-3,9%*	

(1) EBITDA=EBIT increased with depreciations and amortizations

Balance sheet March 2014 vs March 2013

	IFRS 31/03/2014	IFRS 31/03/2013
Equity	137	128
Net Debt (2)	-3,8	-3,5
Cash	23,4	23,6

(2) Net Debt= Financial debts and bank overdrafts minus cash

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Financial Review

Turnover

Fourth quarter turnover grew by 19,2% leading to a total 4,2% increase compared to last year.

Turn over per segment in m€	FY 2013/2014	Q4 2013/2014	YTD Q3 2013/2014	FY 2012/2013	Q4 2012/2013	YTD Q3 2012/2013	FY % Variance	Q4 % Variance	YTD Q3 % Variance
Infrastructure products	73,9	24,6	49,3	65,7	14,8	50,8	12,5%	65,9%	-3,1%
Professional Services	131,2	33,5	97,7	131,6	33,7	97,9	-0,3%	-0,6%	-0,2%
Business Solutions	42,7	12,0	30,7	40,4	10,3	30,2	5,5%	17,1%	1,6%
Subtotal Services & Solutions	*173,9*	*45,5*	*128,4*	*172,0*	*44,0*	*128,1*	*1,1%*	*3,5%*	*0,2%*
Total Group	247,8	70,1	177,6	237,7	58,8	178,9	4,2%	19,2%	-0,7%

- **Infrastructure Products:** The fourth quarter 2014 product turnover increased by 65,9% as a consequence of a strong sales by the end of the fiscal year and a shift in timing between the third and the fourth quarter. Such growth was strongly reflected in our datacenter offering and to a lesser extend in our workplace offering. Full year growth amounted to 12,5% and was generated in both Belgium and Luxembourg.

- **Professional Services:** Professional Services turnover decreased with 0,6% in the fourth quarter leading to a 0,3% decrease year-over-year. Such decreases are fully attributable to a more difficult business in our French operations. Belgian professional services turnover increased slightly mainly as a consequence of improved efficiency. Substantial full year growth of our project business in both application services and infrastructure services demonstrates the success of recent initiatives of providing higher value added services to our customers. The growth of our Consulting services also reflects this success. These higher-end services are a critical element of our single source offering and position us in a distinctive way on the Belgian market. This year we have been ranked n°1 for Applications Development & Maintenance and Datacenter outsourcing among all IT outsourcing companies in Belgium and Luxemburg as demonstrated by the Whitelane outsourcing client survey. This explains why more and more clients are entrusting us their business critical IT operations. We are not only this year's top performer in Belgium and Luxembourg but we have also consistently been in the top 3 over the last 5 years generating scores of 83% client satisfaction.

- **Business Solutions:** Fourth quarter turnover demonstrated a 17,1% growth resulting in an overall growth of 5,5% over the full year. In Belgium, Business Solutions had a good organic growth especially in our MS Dynamics business within and outside the hospital sector. Belgian turnover was also impacted by the acquisition of Traviata in the second quarter of the year. Business Solutions turnover in Luxembourg decreased slightly.

Operating result before non-recurring items

Over this second semester, REBIT before impairment increased from 3,6% in the second semester of last year to 5,0% over the same period this year. Full year REBIT margin ended up at €11.592 or 4,7% full year margin compared to 0,7% last year. The margins in this fiscal year were significantly up compared to last year mainly due to a substantially improved productivity in our Professional Services and Business Solutions divisions. Additionally, efficiency throughout the entire company has increased following optimization initiatives taken mainly in the second half of last year. As part of our employer of choice initiatives, as of this year such REBIT margins include an approximately €700k employee profit sharing initiative for the personnel (excluding executive management) introduced as of this fiscal year.

segment information	FY 2013/2014			H2 2013/2014			H1 2013/2014			FY 2012/2013			H2 2012/2013			H1 2012/2013		
m€	Rev.	Rebit	% margin	Rev.	Rebit	% margin	Rev.	Rebit	% margin	Rev.	Rebit	% margin	Rev.	Rebit	% margin	Rev.	Rebit	% margin
Infra Products	73,9	3,6	*4,9%*	43,1	2,4	*5,5%*	30,8	1,2	*4,0%*	65,7	3,2	*4,8%*	36,3	1,8	*5,0%*	29,4	1,4	*4,7%*
Professional Services	131,2	12,8	*9,7%*	66,8	6,4	*9,5%*	64,4	6,4	*9,9%*	131,6	5,9	*4,5%*	67,6	5,2	*7,7%*	64,0	0,7	*1,1%*
Business Solutions	42,7	-2,0	*-4,7%*	22,7	-0,7	*-2,9%*	19,9	-1,3	*-6,6%*	40,4	- 4,2	*-10,5%*	21,5	- 2,3	*-10,6%*	18,9	-2,0	*-10,3%*
Corporate		-2,8	*-1,1%*		-1,4	*-1,0%*		-1,4	*-1,2%*		- 3,1	*-1,3%*		- 0,3	*-0,2%*		-2,9	*-2,6%*
Group	247,8	11,6	*4,7%*	132,7	6,7	*5,0%*	115,1	4,9	*4,3%*	237,7	1,7	*0,7%*	125,5	4,5	*3,6%*	112,3	-2,8	*-2,5%*

Half year REBIT Margins in the **Infrastructure Products** division increased from 5% to 5,5% compared to the same period last year. Full year REBIT increased to €3,6m, while margins were maintained at 4,9%. The effects of scale due to the substantial revenue increase were offset by increased price pressure.

Professional Services REBIT margins in the second half increased with 1,9% from 7,7% to 9,6%. Full year REBIT margin increased with 5,3% to 9,7%. This sizable growth is due to strong efficiency in our infrastructure services activity and improved efficiency in our application services activity. Such improved productivity has been achieved notwithstanding the absence of margin on this year's activities on a large project for which a provision for future losses was taken last fiscal year.

The half year REBIT Margins in **Business Solutions** improved with 7,7% compared to last year ending at -2,9%. This negative REBIT margin is the result of a slower than expected start of the sale of our applications for wholesale and enterprise asset management and a slower than planned recovery of our Enterprise Solutions business where increased turnover did not yet result in improved margins due to weak productivity.

Corporate Overhead decreased to 1,1% of turnover, compared to 1,3% last year, as a consequence of the management restructuring and following the impact of the optimization initiatives taken last year.

Operating result (EBIT)

Last year, an impairment was taken on the goodwill of our two foreign subsidiaries for a total amount of €12,3m impacting all segments. This year we have taken an additional impairment of the remaining €1,3m goodwill of Airial as a consequence of the exclusive negotiations regarding the transfer of our French business (see post-closing events).

The operating result after impairment and non-recurring items is as follows:

Segment information after impairment in m€	FY March 2014					FY March 2013				
	Infra Products	Professional Services	Business Solutions	Corporate	Group	Infra Products	Professional Services	Business Solutions	Corporate	Group
Turnover	73,9	131,2	42,7		247,8	65,7	131,6	40,4		237,7
Operating result after non-recurring and after impairment	3,6	11,5	-2,0	-2,8	10,3	3,2	5,9	-4,2	-17,1	-12,2
Ebit Margin in %	*4,9%*	*8,7%*	*-4,7%*	*-1,1%*	*4,1%*	*4,9%*	*4,5%*	*-10,4%*	*-3%*	*-5,1%*

Total Group Net Profit

The Group reported a net profit of €9,049m for the full year as the EBIT was impacted by lower financial results compared to last year.

Financial income was €92K, this is €95K less compared to last year following lower interest income on deposits.

Financial charges decreased with €1,549m to €637K as a consequence of the reduction of debt following the reimbursement of the convertible bond during the first half of last year.

The impact of **income taxes** was €764K close to the last year's taxes of €755K and relate mainly to employee related taxes in France, income taxes in Luxemburg and movements in deferred tax assets and liabilities.

Post-closing events

We have entered in exclusive negotiations with a French IT Services company to transfer our Airial operations. This move is inspired by our intention to offer the best future to the employees and clients of our French business on a market and with offerings driven by scale. Such offerings and market are strategically different from the single source offering to the local mid-market RealDolmen focusses on.

The sale of our French operations is still conditional upon prior advice from our French work's council and upon successful negotiation of all terms and conditions with the potential buyers.

Such divestiture would be expected to generate an accounting loss in FY 2014/2015 of around €3m.

Equity/Net Debt

Equity increased to €136,985m.

Cash balances are at €23,37m. The cash position remained flat over the year as a consequence of among others, the impact of the fixed price projects for which losses were recognized last fiscal year, increased working capital, expenses related to optimization efforts provided last year and the impact of the Traviata acquisition.

The total financial debt position amounts to €19,551m. This results in a negative Net Debt position (i.e. a positive net cash position) of €3,819m.

Prospects for FY 2014/2015

For fiscal year 2014-2015, we expect to grow faster than the market in both Professional Services and in Business Solutions. Product turnover should decrease gradually as cloud initiatives increase. We expect REBIT margins to be at mid-single digit levels.

The combination of our offerings, our high end expertise and our financial stability position us as the partner of choice to manage our customer's IT challenges.

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For further information about RealDolmen, visit our website WWW.REALDOLMEN.COM

About REALDOLMEN (BRU:REA)

RealDolmen is an independent single source ICT solutions provider and knowledge company with over 1,600 highly skilled IT professionals and more than 1,000 customers in the Benelux and France. The company offers innovative, effective and reliable ICT solutions and professional services designed to help its clients achieve their objectives by optimizing their business processes.

Condensed consolidated statement of comprehensive income for the period ended March 31, 2014

	31/03/2014	31/03/2013
	EUR '000	EUR '000
CONTINUING OPERATIONS		
Operating Revenue	**250.427**	**242.030**
Turnover	**247.773**	**237.735**
Other operating income	2.654	4.295
Operating Charges	**-238.835**	**-240.289**
Purchases of goods for resale, new materials and consumables	-66.243	-59.522
Services and other goods	-58.059	-57.562
Employee benefits expense	-114.849	-116.161
Depreciation and amortization expense	-2.594	-2.902
Provisions and allowances	3.773	-2.949
Other operating expenses	-864	-1.193
OPERATING RESULT before NON-RECURRING	**11.592**	**1.741**
Restructuring charges	0	-1.653
Other non-recurring charges	-1.307	-12.270
OPERATING RESULT (EBIT)	**10.285**	**-12.182**
Financial income	92	187
Financial charges	-637	-2.186
Profit (Loss) before income taxes	**9.740**	**-14.181**
Income taxes	-691	-755
Profit (Loss) for the year	**9.049**	**-14.936**
Items that will not be reclassified subsequently to profit or loss	224	0
Remeasurement of defined benefit plans	224	0
Other comprehensive income (Loss), gross	224	0
Total profit (Loss) for the year	**9.273**	**-14.936**
Total comprehensive income for the period	**9.273**	**-14.936**
Attributable to:		
Equity holders of the parent	9.273	-14.936
Non-controlling interest	0	0

Consolidated statement of financial position for the period ended March 31, 2014

	31/03/2014	31/03/2013 restated (1)	31/03/2013 (1)
	EUR '000		EUR '000
ASSETS			
Non Current Assets	**123.258**	**123.560**	**123.290**
Goodwill	89.214	88.576	88.576
Intangible assets	1.461	526	526
Property, plant and equipment	12.733	14.277	14.277
Deferred tax assets	19.739	19.967	19.697
Finance lease receivables	111	214	214
Current Assets	**98.428**	**94.749**	**94.749**
Inventories	2.014	811	811
Trade and other receivables	73.044	70.316	70.316
Other financial assets	0	1.024	1.024
Cash and cash equivalents	23.370	22.598	22.598
Total Current Assets	98.428	94.749	94.749
TOTAL ASSETS	**221.687**	**218.309**	**218.039**
EQUITY AND LIABILITIES			
Shareholder's Equity	**136.985**	**127.519**	**128.034**
Share capital	32.193	32.193	32.193
Treasury shares (-)	-715	-977	-977
Share premium	38.553	59.284	59.284
Retained earnings	66.953	37.019	37.534
Equity attributable to equity holders of the parent	**136.985**	**127.519**	**128.034**
Non-controlling interest	0	0	0
TOTAL EQUITY	**136.985**	**127.519**	**128.034**
Non-Current Liabilities	**20.254**	**24.074**	**23.288**
Obligations under finance lease	111	1.308	1.308
Bank loans and Other Borrowings	15.337	14.202	14.202
Retirement benefit obligations	2.955	3.896	3.110
Provisions	1.570	4.317	4.317
Deferred tax liabilities	282	351	351
Current Liabilities	**64.447**	**66.716**	**66.717**
Obligations under finance lease	1.094	304	304
Bank overdrafts and loans	3.009	4.322	4.322
Trade and other payables	60.061	61.163	61.163
Current income tax liabilities	241	50	50
Provisions	41	877	877
Total Current Liabilities	64.447	66.716	66.717
TOTAL LIABILITIES	**84.702**	**90.790**	**90.005**
TOTAL EQUITY and LIABILITIES	**221.687**	**218.309**	**218.039**

(1) The accounting policies and methods of the Group used as of April 1, 2013 are consistent with those applied in the 31 March 2013 consolidated financial statements, except for the adoption of the revision of IAS 19 (IAS 19R) on Employee Benefits and more specifically on post-employment benefits. Also, IAS 19R required a retrospective application, meaning that the comparative figures (including the opening balance sheet) has been restated for reporting and comparison purposes. The opening balance as per April 1, 2012 has been restated for same amount as per March 31, 2013 and therefore no comparative balance sheet as per April 1, 2012 is shown.

Consolidated statement of cash flows for the period ended March 31, 2014

	31/03/2014	31/03/2013
	EUR '000	EUR '000
EBIT	**10.285**	**-12.182**
Depreciation and amortization	2.594	2.902
Impairment losses on assets	1.307	12.270
Provisions and allowances	-5.238	2.963
(Gains) / Losses on disposals of assets	11	-268
Other adjustments	-294	-666
Gross Operating Cash Flow	**8.664**	**5.019**
Changes in working capital	-4.265	4.433
Net Operating Cash Flow	**4.400**	**9.452**
Income taxes paid	-299	-429
Net Cash Flow from Operating Activities	**4.101**	**9.023**
Interest received	36	190
Investments in intangible assets	-210	-47
Investments in property, plant and equipment	-803	-1.119
Net Cash-out Flow on acquisition of subsidiaries	-1.826	-1.852
Cash-out deferred consideration on acquisition Alfea Consulting	-240	0
Disposals of intangible assets and property, plant and equipment	95	275
Investments in other financial assets	1.024	976
Net Cash Flow from Investment Activities	**-1.924**	**-1.577**
Interest paid	-527	-237
Convertible bond cash outflow	0	-43.118
Dividend paid	-1	-1
Increase / Decrease financial liabilities cash inflow	1.442	13.160
Increase / Decrease financial liabilities cash outflow	-2.318	-4.277
Cash Flow from Financing Activities	**-1.404**	**-34.473**
Changes in Cash and Cash Equivalents	**772**	**-27.027**
Net cash position opening balance	22.598	49.625
Net cash position closing balance	23.370	22.598
Total Cash movement	**772**	**-27.027**

Consolidated statement of changes in equity for the period ended March 31, 2014

	Share Capital	Treasury shares	Defined Benefit Obligations	Share Premium	Convertible bond	Retained earnings	Total
Balance at April 1, 2012 as published	**32.193**	**-977**	**0**	**46.597**	**12.687**	**52.470**	**142.970**
Effect of changes in accounting policy (1)			-515				**-515**
Balance at April 1, 2012 restated for IAS 19R	**32.193**	**-977**	**-515**	**46.597**	**12.687**	**52.470**	**142.455**
Net profit/(loss)						-14.936	-14.936
Balance at March 31, 2013, restated	**32.193**	**-977**	**-515**	**46.597**	**12.687**	**37.534**	**127.519**
Balance at April 1, 2013, restated	**32.193**	**-977**	**-515**	**46.597**	**12.687**	**37.534**	**127.519**
Net profit/(loss)						9.049	9.049
Capital increase (2)				-20.731		20.731	0
Share based consideration Traviata (3)		34				-5	29
Share based consideration Alfea Consulting (4)		228				12	240
Other comprehensive income			147				147
Balance at March 31, 2014	**32.193**	**-715**	**-368**	**25.866**	**12.687**	**67.321**	**136.985**

(1) The accounting policies and methods of the Group used as of April 1, 2013 are consistent with those applied in the 31 March 2013 consolidated financial statements, except for the adoption of the revision of IAS 19 (IAS 19R) on Employee Benefits and more specifically on post-employment benefits. Also, IAS 19R required a retrospective application, meaning that the comparative figures (including the opening balance sheet) has been restated for reporting and comparison purposes. We refer to the note on pension liabilities for more details regarding the restatement.
(2) Capital increase through absorption of the share premium, approved by the extraordinary shareholders' meeting of October 2, 2013.
(3) Relates to the acquisition of Traviata for € 29 KEUR. The difference of € 5 KEUR relates to the realized loss on this payment since the fair value of the shares at the moment of payment was lower than the initial purchase price of the treasury shares.
(4) Relates to the payment on the deferred consideration in shares to the former Alfea Consulting shareholders for € 240 KEUR. The difference of € 12 KEUR relates to the realized profit on this payment since the fair value of the shares at the moment of payment was higher than the initial purchase price of the treasury shares.

To the Board of Directors

The Statutory auditor confirms that the audit work, which is finished in substance, did not reveal any significant adjustments to the financial information included in the press release.

Diegem, 27 May 2014

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