



FY 2014-2015 press release

(Results for the year ended 31 March 2015)

- 1,8% year-over-year turnover growth resulting from 9,6% growth in Infrastructure Products and 2,1% decline in Services
- REBIT margin of 5,9% (€7m) in the second half year leading to a full year REBIT of €8,5m (3,8% margin) before restructuring charges of €4,1m
- REBIT margin for Business Solutions becomes positive in the second half of the year (4,5%)
- Robust balance sheet structure with net cash situation
- Dividend distribution of €1.5 million will be proposed to the 9 September 2015 General Meeting

Marc De Keersmaecker, General Manager of RealDolmen, commented:

“Improved performance in the second half of our financial year has not made up for the weak start in the beginning of the year. This second half showed some positive signs: Application Services Business is on track and our Business Solution activities is showing progress, generating positive margins for the first time in this second half year. Our Infrastructure Products Business grew well even if margins were under pressure. Still, our Infrastructure Services Business was weak and recovery should have been more robust. We therefore have taken additional optimization measures in March to re-energize sales, improve efficiency while reducing costs.”

Full year results March 2015 vs March 2014

| in m€ | IFRS 31/03/2015 | IFRS 31/03/2014 |
|---|--------------------|--------------------|
| Turnover from continuing operations | 223,5 | 219,5 |
| Operating results before non recurring (REBIT) | 8,5 | 11,8 |
| <i>Margin</i> | 3,8% | 5,4% |
| Operating results from continuing operations (EBIT) | 4,4 | 10,5 |
| Net profit (loss) from continuing operations | 3,8 | 9,6 |
| Profit (loss) from discontinued operations | -3,3 | -0,6 |
| Total profit (loss) for the period | 0,5 | 9,0 |
| EBITDA (1) | 6,9 | 13,0 |
| <i>EBITDA Margin</i> | 3,1% | 5,9% |

(1) EBITDA=EBIT increased with depreciations, amortizations

Balance sheet March 2015 vs March 2014

| | IFRS 31/03/2015 | IFRS 31/03/2014 |
|--------------|--------------------|--------------------|
| Equity | 137,7 | 137,0 |
| Net Debt (2) | -11,7 | -3,8 |
| Cash | 29,1 | 23,4 |

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

Enquiries:

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Financial Review

Turnover (from continuing operations only)

Full Year turnover grew by 1,8% compared to last year.

| Turn over per segment in m€ | FY 2014/2015 | H2 2014/2015 | H1 2014/2015 | FY 2013/2014 | H2 2013/2014 | H1 2013/2014 | FY % Variance | H2 % Variance | H1 % Variance |
|-------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|---------------|
| Infrastructure products | 81,0 | 46,9 | 34,0 | 73,9 | 43,1 | 30,8 | 9,6% | 8,8% | 10,6% |
| Professional Services | 101,3 | 52,3 | 49,0 | 103,8 | 52,8 | 51,0 | -2,4% | -1,0% | -3,8% |
| Business Solutions | 41,2 | 21,5 | 19,8 | 41,8 | 22,2 | 19,6 | -1,3% | -3,3% | 1,0% |
| Subtotal Services & Solutions | 142,6 | 73,8 | 68,8 | 145,6 | 75,0 | 70,6 | -2,1% | -1,7% | -2,5% |
| Total Group | 223,5 | 120,7 | 102,8 | 219,5 | 118,2 | 101,3 | 1,8% | 2,1% | 1,5% |

- **Infrastructure Products:** The full year 2015 product turnover increased by 9,6%. Such growth was strong in workplace products while datacenter offerings declined. This growth was generated in Belgium and, even more strongly, in Luxembourg.
- **Professional Services:** Professional Services turnover decreased with 1% in the second half leading to a 2,4% decrease year-over-year. Such decrease is fully attributable to our Infrastructure Services Business and is, among other things linked to reduced datacenter services. The Application Services Division grew over the full year demonstrating improved day and productivity rates notwithstanding a lower activity in the first quarter. We also continue to strengthen our position as a market leader in both application and infrastructure IT outsourcing as demonstrated by the customer satisfaction rates of over 80% in the latest Whitelane study.
- **Business Solutions:** Full year turnover decreased by 1,3% as a consequence of lower service revenue in some enterprise solutions offerings. Own and third party license sale improved substantially following good performance of Hospital/AX, our hospital solution based on MS Dynamics, persistent good sales of our document management solution AOFXDM and strong progression of our CRM offerings.

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

REBIT margins increased from 5,2% to 5,9% over the second semester as a consequence of strongly improved Business Solutions margins.

| segment information m€ | FY 2014/2015 % | | H2 2014/2015 % | | H1 2014/2015 % | | FY 2013/2014 % | | H2 2013/2014 % | | H1 2013/2014 % | |
|---------------------------|----------------|--------|----------------|--------|----------------|--------|----------------|--------|----------------|--------|----------------|--------|
| | Rebit | margin | Rebit | margin | Rebit | margin | Rebit | margin | Rebit | margin | Rebit | margin |
| Infra Products | 3,5 | 4,3% | 1,9 | 4,1% | 1,6 | 4,6% | 3,6 | 4,9% | 2,4 | 5,5% | 1,2 | 4,0% |
| Professional Services | 8,7 | 8,5% | 5,6 | 10,8% | 3,0 | 6,2% | 13,1 | 12,6% | 5,9 | 11,2% | 7,1 | 14,0% |
| Business Solutions | -0,5 | -1,3% | 1,0 | 4,5% | -1,5 | -7,6% | - | 2,1 | -4,9% | - | 0,8 | -3,5% |
| Corporate | -3,1 | -1,4% | -1,4 | -1,2% | -1,7 | -1,6% | - | 2,8 | -1,3% | - | 1,4 | -1,2% |
| Group | 8,5 | 3,8% | 7,1 | 5,9% | 1,4 | 1,4% | 11,8 | 5,4% | 6,1 | 5,2% | 5,7 | 5,6% |

Full year REBIT in the **Infrastructure Products** division remained flat notwithstanding growing turnover. The decreasing margin from 4,9% to 4,3% is a consequence of a shift in the mix of product offerings, combined with increased price pressure.

Professional Services REBIT margins in the second half year amounted to 10,8% coming from 6,2% in the first half. Over the full year margins are 4,1% down. Such decline is the consequence of weakened infrastructure services while last year's margins were exceptionally high due to some provision reversals. This year's application services margin strengthened drastically compared to the previous year following improved day rates while headcount decreased. This reflects the company's persistent effort to move up in the services value chain.



The second half year REBIT margins in **Business Solutions** improved with 8% compared to last year, ending at 4,5%. As a consequence, full year REBIT margins also improved. This positive trend confirms the announced strengthening of margins in this segment. Such improvement is due to increased sale of licenses and better day rates in segments in which we have developed distinctive high value offerings. Such trend has been mitigated by slower than planned recovery of some of our Enterprise Solutions offerings.

Corporate Overhead was slightly higher than last year ending at 1,4% of turnover, compared to 1,3% last year due last year's reversal of provisions.

Operating result (EBIT) (from continuing operations only)

As previously announced, we took exceptional non-recurring expenses of €4,1m following cost optimization initiatives both in our Belgian and Luxemburg business. Such non-recurring optimization costs aim at improving efficiency rates, reduce overhead and re-energize sales focus.

As a result the full year EBIT of the company amounts to €4,3m.

Total Group Net Profit (from continuing operations only)

The Group reported a net profit of €3,8m for the half year.

Financial income was €66K, in line with last year's numbers.

Financial charges increased with €74K to €626K, mainly due to the discounting effect of the retirement benefit obligations mitigated by lower interest rates.

The impact of **income taxes** was €15K positive following a correction of our deferred tax asset.

Dividend

RealDolmen announces a long term dividend policy based on a pay-out ratio of approximatively 30% of EBIT and will propose to the 9 September 2015 General Shareholders Meeting to distribute a dividend of €1.5M.

Divestiture of our French operations (discontinued operations)

On 23 June 2014, RealDolmen announced that it had closed the transaction regarding the sales of Aerial Conseil SAS, RealDolmen's French subsidiary, to GFI Informatique. As a consequence, the turnover and EBIT generated by this business between April 1, 2014 and May 31, 2014 as well as the results of said transaction have been recorded as discontinued business. This results into a loss of €3,3m bringing the total profit for the year to €486K.

Equity/Net Debt

Equity increased to €137,7m.

The total financial debt position amounts to €16,2m.

Cash balances are at €29m reflecting a positive cash movement of €5,7m including a net €1,2m negative impact from the divestiture of our French subsidiary.

Prospects for FY 2015/2016

For the year 2015/2016, we expect turnover of our Services Business to grow and turnover and margins of our Infrastructure Products business to decrease. In Professional Services, we expect revenue to grow while margins should rise. Business Solutions revenue should demonstrate limited growth while shifting to higher added value business with improving margins. We expect REBIT margins for the full year to be around mid-single digit levels.



For further information on this press release:

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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 1,250 highly skilled IT professionals and more than 1,000 customers in the Benelux. 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, 2015

| | <u>31/03/2015</u> | <u>31/03/2014 (1)</u> |
|---|-------------------|-----------------------|
| | EUR '000 | EUR '000 |
| CONTINUING OPERATIONS | | |
| Operating Revenue | 224.675 | 221.149 |
| Turnover | 223.525 | 219.481 |
| Other operating income | 1.150 | 1.668 |
| Operating Charges | -216.172 | -209.328 |
| Purchases of goods for resale, new materials and consumables | -74.015 | -66.243 |
| Services and other goods | -47.261 | -49.957 |
| Employee benefits expense | -91.952 | -93.448 |
| Depreciation and amortization expense | -2.552 | -2.515 |
| Provisions and allowances | 274 | 3.748 |
| Other operating expenses | -666 | -914 |
| OPERATING RESULT before NON-RECURRING | 8.504 | 11.821 |
| Restructuring charges | -4.138 | 0 |
| Other non-recurring charges | 0 | -1.307 |
| OPERATING RESULT (EBIT) | 4.366 | 10.514 |
| Financial income | 66 | 65 |
| Financial charges | -626 | -552 |
| Profit (Loss) before income taxes | 3.806 | 10.026 |
| Income taxes | 13 | -413 |
| Profit (Loss) for the year from continuing operations | 3.819 | 9.613 |
| Discontinued Operations | | |
| Profit (Loss) for the year from discontinued operations | -3.334 | -564 |
| Profit (Loss) for the year | 485 | 9.049 |
| Total profit (Loss) for the year | 485 | 9.049 |
| Items that will not be reclassified subsequently to profit of loss | | |
| Remeasurement of defined benefit plans, net of tax | 2 | 147 |
| Other comprehensive income(loss), net of taxes | 2 | 147 |
| Total comprehensive income for the period | 487 | 9.196 |
| Attributable to: | | |
| Equity holders of the parent | 487 | 9.196 |
| Non-controlling interest | 0 | 0 |
| EPS (in EURO) | | |
| Basic earnings per share (EUR) | 0,092 | 1,701 |
| From continuing operations | 0,719 | 1,807 |
| From discontinuing operations | -0,627 | -0,106 |
| Diluted earnings per share (EUR) | 0,092 | 1,701 |
| From continuing operations | 0,719 | 1,807 |
| From discontinuing operations | -0,627 | -0,106 |

(1) The comparative figures as per March 31, 2014 have been restated due to the sale of the French Activities in Aerial as per June 18, 2014 and are presented as discontinued Operations.



Consolidated statement of financial position for the period ended March 31, 2015

| | <u>31/03/2015 (1)</u> | <u>31/03/2014 (2)</u> |
|--|-----------------------|-----------------------|
| | EUR '000 | EUR '000 |
| ASSETS | | |
| Non-Current Assets | 124.326 | 123.258 |
| Goodwill | 89.214 | 89.214 |
| Intangible assets | 1.374 | 1.461 |
| Property, plant and equipment | 12.049 | 12.733 |
| Deferred tax assets | 19.657 | 19.739 |
| Finance lease receivables | 353 | 111 |
| Long term receivables | 1.679 | 0 |
| Current Assets | 91.995 | 98.428 |
| Inventories | 980 | 2.014 |
| Trade and other receivables | 61.963 | 73.044 |
| Cash and cash equivalents | 29.052 | 23.370 |
| Total Current Assets | 91.995 | 98.428 |
| TOTAL ASSETS | 216.321 | 221.687 |
| EQUITY AND LIABILITIES | | |
| Shareholder's Equity | 137.711 | 136.985 |
| Share capital | 32.193 | 32.193 |
| Treasury shares (-) | -499 | -715 |
| Share premium | 38.553 | 38.553 |
| Retained earnings | 67.464 | 66.953 |
| Equity attributable to equity holders of the parent | 137.711 | 136.985 |
| TOTAL EQUITY | 137.711 | 136.985 |
| Non-Current Liabilities | 5.249 | 20.254 |
| Obligations under finance lease | 941 | 111 |
| Bank loans and Other Borrowings | 0 | 15.337 |
| Other non-current liabilities | 1.022 | 0 |
| Retirement benefit obligations | 1.995 | 2.955 |
| Provisions | 1.079 | 1.570 |
| Deferred tax liabilities | 212 | 282 |
| Current Liabilities | 73.360 | 64.447 |
| Obligations under finance lease | 233 | 1.094 |
| Bank overdrafts and loans | 15.118 | 3.009 |
| Trade and other payables | 57.164 | 60.061 |
| Current income tax liabilities | 266 | 241 |
| Provisions | 579 | 41 |
| Total Current Liabilities | 73.360 | 64.447 |
| TOTAL LIABILITIES | 78.609 | 84.702 |
| TOTAL EQUITY and LIABILITIES | 216.321 | 221.687 |

(1) excluding Airial

(2) including Airial



Consolidated statement of cash flows for the period ended March 31, 2015

| | <u>31/03/2015</u> | <u>31/03/2014 (1)</u> |
|--|-------------------|-----------------------|
| | EUR '000 | EUR '000 |
| EBIT | 4.366 | 10.514 |
| Depreciation and amortisation | 2.552 | 2.515 |
| Impairment losses on assets | 0 | 1.307 |
| Provisions and allowances | 167 | -4.737 |
| (Gains) / Losses on disposals of assets | 150 | 11 |
| Other adjustments | -164 | -262 |
| Gross Operating Cash Flow | 7.071 | 9.348 |
| Changes in working capital | 3.114 | -4.402 |
| Net Operating Cash Flow | 10.185 | 4.946 |
| Income taxes paid | -316 | -70 |
| Net Cash Flow from Operating Activities | 9.869 | 4.876 |
| Interest received | 34 | 36 |
| Investments in intangible assets | -897 | -210 |
| Investments in property, plant and equipment | -1.179 | -715 |
| Net Cash-out Flow on acquisition of subsidiaries | 0 | -1.826 |
| Cash-out deferred consideration on acquisition Alfea Consulting | -240 | -240 |
| Disposals of intangible assets and property, plant and equipment | 24 | 95 |
| Disinvesting of Aerial cash inflow | 2.455 | 0 |
| Disinvesting of Aerial cash outflow | -3.689 | -1.080 |
| Net Cash Flow from Investment Activities | -3.492 | -3.940 |
| Interest paid | -422 | -471 |
| Dividend paid | 0 | -1 |
| Increase / Decrease financial liabilities cash inflow | 0 | 1.442 |
| Increase / Decrease financial liabilities cash outflow | -274 | -1.134 |
| Cash Flow from Financing Activities | -696 | -164 |
| Changes in Cash and Cash Equivalents | 5.682 | 772 |
| Net cash position opening balance | 23.370 | 22.598 |
| Net cash position closing balance | 29.052 | 23.370 |
| Total Cash movement | 5.682 | 772 |

(1) The comparative figures as per March 31, 2014 have been restated due to the sale of the French Activities in Aerial as per June 18, 2014 and are presented as discontinued Operations.



Consolidated statement of changes in equity for the period ended March 31, 2015

| | <u>Share Capital</u> | <u>Treasury shares</u> | <u>Defined Benefit Obligations</u> | <u>Share Premium</u> | <u>Convertible bond</u> | <u>Retained earnings</u> | <u>Total</u> |
|--|----------------------|------------------------|------------------------------------|----------------------|-------------------------|--------------------------|----------------|
| Balance at April 1, 2013, restated (1) | 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 |
| Deferred consideration ex-Alfea shareholders | | 228 | | | | 12 | 240 |
| Other | | | 147 | | | | 147 |
| Balance at March 31, 2014 | 32.193 | -715 | -368 | 25.866 | 12.687 | 67.321 | 136.985 |
| Balance at April 1, 2014 | 32.193 | -715 | -368 | 25.866 | 12.687 | 67.321 | 136.985 |
| Net profit/(loss) | | | | | | 485 | 485 |
| Deferred consideration ex-Alfea shareholders (4) | | 216 | | | | 24 | 240 |
| Other comprehensive income | | | 2 | | | | 2 |
| Balance at March 31, 2015 | 32.193 | -499 | -366 | 25.866 | 12.687 | 67.830 | 137.711 |

(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) Reduction of capital in accordance with article 614 of the Belgian Company Code, followed by a capital increase through absorption of the share premium in order to bring the capital to 32.193 KEUR, 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 24 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, 28 May 2015

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